

July 03, 2026

Listing Compliance & Legal Regulatory
BSE Limited
Phiroze Jeejeebhoy Towers,
Dalal Street, Mumbai 400 001
Stock Code: 543227 & 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 Annual Report 2025-26

Pursuant to Regulation 34(1) and Regulation 53(2) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), we are enclosing herewith copy of our Integrated Annual Report 2025-26 along with the Notice of the 15th AGM of the members of the Company which is being circulated to our members by email.

Further, in accordance with Regulation 36(1)(b) of the SEBI Listing Regulations, a letter containing the web-link and path for accessing the Annual Report for FY26 is being sent to all those Members who have not registered their email IDs with the Company/RTA/DPs.

The Annual Report and the AGM Notice is also being published on our website at <https://www.happiestminds.com/investors/agm-and-annual-report/>

This is for your information and records.

Thanking you,
Yours faithfully,

For **Happiest Minds Technologies Limited**

PRAVEEN

KUMAR

DARSHANKAR

Praveen Kumar Darshankar

Company Secretary & Compliance Officer

Membership No. F6706

Digitally signed by
PRAVEEN KUMAR
DARSHANKAR
Date: 2026.07.03 15:34:54
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AI FIRST.

AGILE ALWAYS.

**Transforming How Enterprises
Innovate at Scale**

Powering the AI Future

The edge has moved to the center.

For years, AI occupied the edges of enterprise strategies. It lived inside pilots, proofs-of-concept, and innovation labs, useful, promising, but rarely central to how businesses actually ran. That position has shifted.

Today, AI sits closer to where decisions are made, products are built and customers are served. Our evolution to **'AI First. Agile Always.'** reflects this change in where the efforts are made.

What does it mean for a service company to be AI-first by design?

AI and Agentic AI are now built into how solutions are designed, not added after the fact. Happiest Minds structures its AI services delivery platform around humans and agents working together, each contributing where they are most effective.

Success is measured in outcomes: faster cycles, reduced costs, and higher quality, from the first engagement to the last mile of delivery.

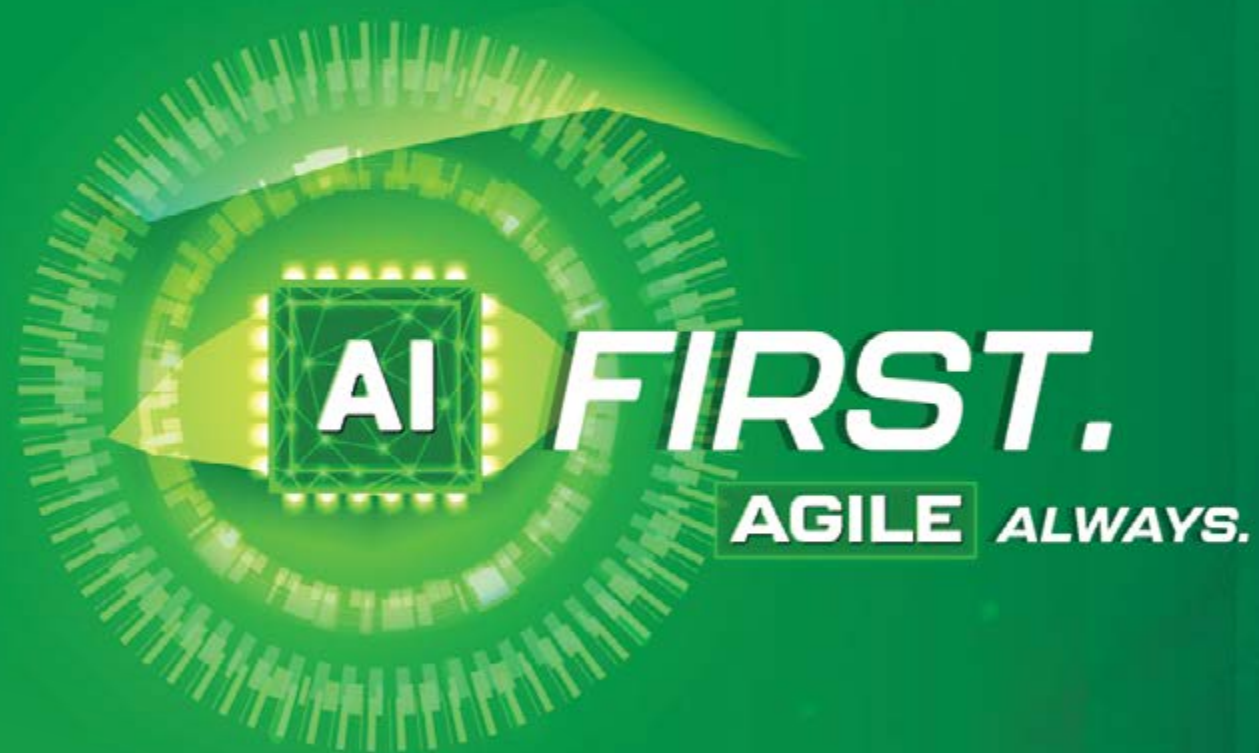
Agility remains our constant.

In a field where the tools of last day are often eclipsed by the new, the discipline of moving quickly and learning continuously is what turns AI ambition into AI capability. The two commitments are inseparable: one sets the horizon, the other keeps the pace.

We are making this posture shift tangible at scale.

Partnerships run deeper. Solutions travel further through repeatable, packaged offerings. Growth becomes less tethered to the number of hands at work and more linked to the intelligence embedded in what we build.

That is what **Powering the AI Future** looks like from the inside. We are evolving in step with the technology it serves, and with the customers who trust it to lead.





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Get this report online
<https://www.happiestminds.com/investors/>

About the Report

Basis of Reporting

The Integrated Annual Report 2025-26 is our sixth integrated report, prepared in alignment with the principles of the International Integrated Reporting Council (IIRC). The report is structured around the six capitals: Financial, Manufactured, Human, Intellectual, Social and Relationship, and Natural, each of which contributes to our value creation process.

This integrated approach provides stakeholders with a clear and transparent view of how we drive sustainable growth. It presents the material issues affecting our business, the operating environment, our governance framework, and our long-term value creation strategy. Our ESG initiatives are led by a dedicated team and embedded in our operating philosophy. Through this report, we present a holistic view of our financial performance and broader impact, enabling stakeholders to make informed decisions.

Reporting Principle

This report has been prepared in accordance with the key regulatory and reporting requirements, including:

- Companies Act, 2013, and the rules framed thereunder

- Indian Accounting Standards
- SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015
- Secretarial Standards
- Pertinent guidance from the GRI Standards
- Underlying principles and themes of the Integrated Reporting Framework for non-financial disclosures

Boundary and Scope of Reporting

The information presented in this report covers the financial and non-financial performance of Happiest Minds Technologies Limited and its subsidiaries, including Happiest Minds Inc. (US), Aureus Tech Systems, Sri Mookambika Infosolutions, Happiest Minds Edutech, PureSoftware Technologies, and GAVS Technologies' Middle East business.

Assurance Statement

Our Board of Directors assumes full responsibility for the accuracy and completeness of this report. The report reflects the Board's oversight, supported by our leadership and reporting teams. It complies with relevant frameworks and presents a fair view of our performance and material matters.

Our Capitals



Financial

Responsible financial management to deliver sustainable returns to the stakeholders while enabling future growth



Intellectual

Applying knowledge, skills, systems, and innovation capabilities to deliver high-quality client solutions, improve efficiency, and manage risk



Social and Relationship

Building trusted relationships through transparency, shared values, and continuous engagement, enabling us to respond to stakeholder needs with purpose



Human

Drive performance through our people by fostering inclusion, continuous learning, and well-being to support individual growth and organizational success



Natural

Embed environmental responsibility into our strategy through resource efficiency and climate-conscious practices that support a sustainable, low-carbon future



Manufactured

Physical and digital infrastructure supports business continuity, client delivery, scalability, and long-term value creation

UN SDGs [Sustainable Development Goals]



INTEGRATED THINKING AT HAPPIEST MINDS

Integration that Drives Impact

Integrated thinking shapes how we align our strategy, capabilities, culture and stakeholder priorities. It helps us look beyond financial performance and assess how every decision contributes to sustained value creation.

Our vision and values guide this approach. They enable us to connect digital agility,

innovation, operational excellence and responsible growth with the expectations of our clients, people, investors, partners and communities. Through this connected approach, we address material issues, strengthen our core competencies and build outcomes that are relevant, resilient and future-ready.



Strategic Focus Areas

- AI-First Growth and Customer Success
- M&A Strategy
- Expanding Domain and Technology Expertise
- Geographical Expansion
- Accelerating Growth with IPs
- Private Equity (PE) Engagement
- Scaling Key Accounts
- GCC Focus

Supported by Business Activities

- Product & Digital Engineering Services (PDES)
- Generative AI Business Services (GBS)
- Infrastructure Management & Security Services (IMSS)

Influenced by Key Operating Factors

Material Issues

- Economic Performance
- Cybersecurity and Data Privacy
- Systemic Risk Management
- Corporate Governance and Ethics
- Business Capability and Resilience
- Disclosure & Performance
- Customer Engagement and Satisfaction
- Talent Attraction and Skill Retention
- Social Responsibility
- Human Rights
- Employee Health, Safety and Wellbeing
- Diversity, Equity, and Inclusion

Key Risks



Financial Risk



Business Risk



Operational Risk



Legal and Regulatory Risk



Cyber Security Risk

Resulting in an Impact Across the Capitals and for Stakeholders

Capitals



Financial Capital



Manufactured Capital



Human Capital



Social & Relationship Capital



Intellectual Capital



Natural Capital

Stakeholders



Customers



Shareholders & Investors



Alliance Partners



Government and Regulatory Bodies



People



Community



Vendors

Chairman's Letter



Ashok Soota
Chairman & Chief Mentor

FY26 also marked an inflection point, with enterprise AI initiatives moving decisively from pilots to scaled, production deployments across industries.

Dear Stakeholders,

Happiest Minds was founded on the belief that technology should create lasting value for customers, employees, shareholders, and society. As we enter an era shaped by Artificial Intelligence, this belief remains unchanged.

The IT services industry experienced a challenging environment through FY26, marked by macroeconomic uncertainty, evolving tariff regimes, and geopolitical developments that impacted enterprise technology spending. At the same time, the rapid advancement of Artificial Intelligence has emerged as a defining structural shift.

FY26 also marked an inflection point, with enterprise AI initiatives moving decisively from pilots to scaled, production deployments across industries.

In this context, we delivered FY26 revenues of ₹ 2,315 cr, growing by 12.3%, with Operating Profit of ₹ 401 cr, growing 12.3%, and Adjusted PAT of ₹ 278 cr, growing 9.4%. These results demonstrate the resilience of our business model and the effectiveness of our strategic initiatives in a challenging environment.

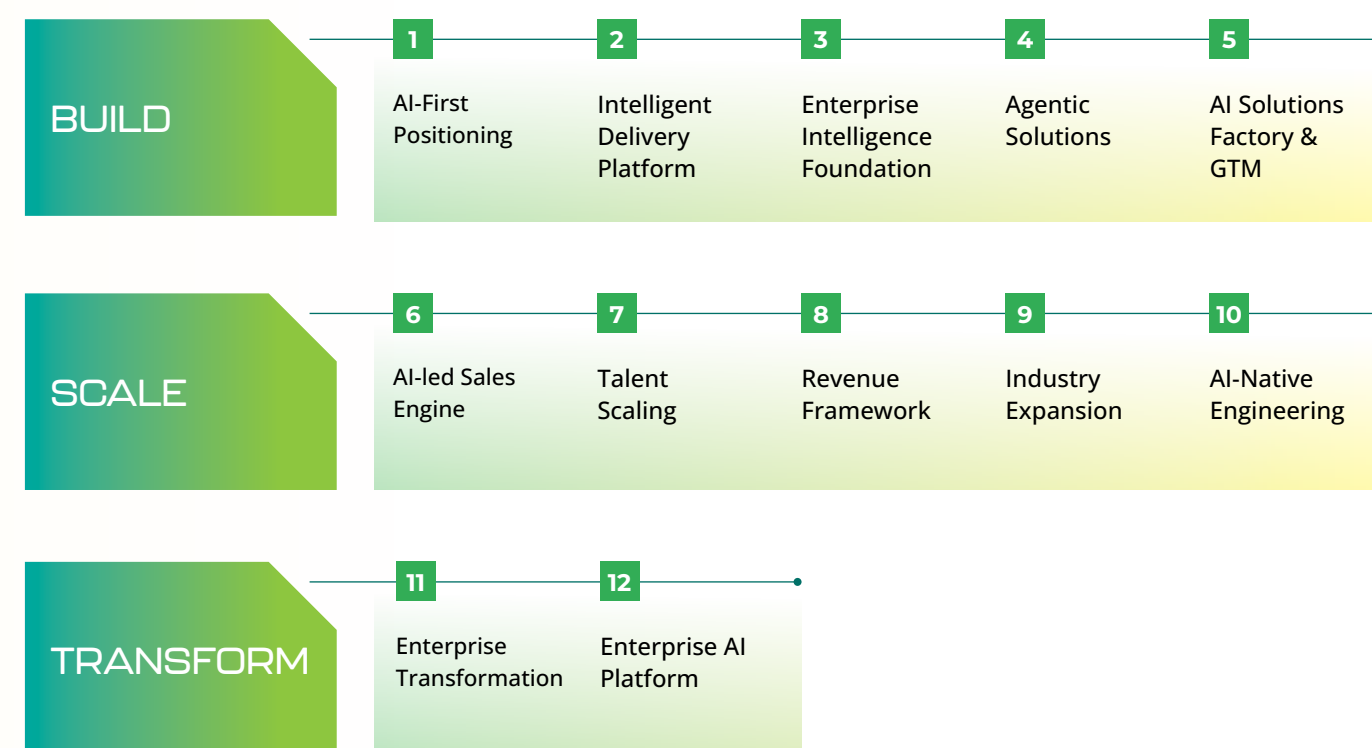
The 10 strategic transformations announced in FY25 enabled us to deliver approximately 10% organic growth, at a time when several industry participants reported low, flat, or negative growth. Building on this foundation, we launched our **11th strategic transformation in February 2026 – “AI First. Agile Always.” – to drive the next phase of growth.**

This program is intended to support the delivery of our FY27 growth **guidance of 12.5%**, while maintaining our **aspirational target of 15%** on a constant currency basis.

AI-First: Driving the Next Phase of Growth

AI-first represents a structural shift in our strategy from digital-led execution to **AI-led, platform-driven growth**. It is supported by a set of 12 strategic AI programs that enable enterprise-scale adoption of AI, improve delivery effectiveness, and create repeatable, scalable solutions.

12 AI Programs | AI First. Agile Always.



As outlined in the table above, the key AI programs are summarized below:

- AI-First Brand Transformation**
 Repositioning from “Born Digital. Born Agile.” to “AI First. Agile Always.”, reflecting AI at the core of our identity
- AI Service Delivery Platform**
 Building an agentic AI-enabled delivery backbone to enhance speed, governance, productivity, and consistency
- Horizontal Enterprise AI Foundation**
 Establishing a scalable AI layer across applications, infrastructure, and IT operations
- Shift to Agentic AI Solutions**
 Advancing from GenAI pilots to enterprise-scale deployment of autonomous, agentic systems
- Repeatable AI Solutions and Go-to-Market**
 Creating reusable, industry-aligned offerings for faster adoption and predictable growth
- Dedicated AI Sales Engine**
 Strengthening AI-led demand generation and conversion through focused sales and pre-sales capabilities



Joseph Anantharaju
Co-Chairman & CEO

We were honored for the Best Use of AI in DevOps at the India DevOps Show 2025 and recognized as one of the Inspiring Firms in AI and Analytics at the 3AI ACME Awards.

- **AI Talent Scale-up**
Expanding AI capabilities to support innovation, delivery readiness, and long-term scale
- **AI Revenue Tracking and Targets**
Institutionalizing AI-led revenue measurement with clearly defined multi-year growth objectives
- **Industry-focused AI Expansion**
Deepening investments in Healthcare, EdTech, and Retail/CPG, where adoption is accelerating
- **AI-Native Engineering (Agentic SDLC)**
Embedding AI agents across the software lifecycle to improve productivity and quality
- **AI Workforce and Enterprise Transformation**
Enabling enterprises to deploy AI agents across functions, driving AI-native operating models
- **Enterprise AI Platform – A Unifying Layer Across AI-First**
As part of our 12 AI programs, we have most recently launched the Enterprise AI Platform, our flagship and most impactful AI advancement. It provides a modular, scalable, and secure foundation for enterprise-grade AI adoption, unifying AI agents, enterprise data, and workflows to accelerate enterprise-wide transformation. This positions us to drive increasingly non-linear, platform-led growth with greater repeatability across customer engagements.

We are encouraged by strong demand momentum, reflected in pipeline growth of approximately 27%, reinforcing our view that AI-led transformation will remain a strategic priority for enterprises.

Contrary to early predictions that Artificial Intelligence would negatively impact the IT services industry, we see AI as a significant opportunity. It enables the creation of **replicable, platform-led solutions**, improves productivity, and expands our addressable market.

This is already visible in our business. We have identified **50 AI-led use cases**, several of which have already evolved into repeatable, scalable solutions and are being deployed across industries. We are also strengthening our capabilities, including scaling to a **1,000+ AI-focused workforce by FY27**.

We are encouraged by strong demand momentum, reflected in **pipeline growth of approximately 27%**, reinforcing our view that AI-led transformation will remain a strategic priority for enterprises.

We are also witnessing strong early traction for **EduWeave AI**, our AI-first platform delivering a modular suite of solutions to automate and integrate the institutional lifecycle across

academic, administrative, and student functions. During the year, we secured a significant AI-led transformation engagement with a leading graduate business school and research institution in Asia, further validating our industry-focused AI strategy.

Our progress has been recognized across multiple dimensions. We were honored for the **Best Use of AI in DevOps** at the India DevOps Show 2025 and recognized as one of the **Inspiring Firms in AI and Analytics** at the 3AI ACME Awards. Artha received two honors at the **IBSi Digital Banking Awards 2025** for excellence in digital lending and wallet innovation.

We were also recognized as a **Top Employer India 2026** for our people-first practices, acknowledged among the **Best Companies for Women in IT**, and named an **Exemplar in the Most Inclusive Companies Index**. These recognitions reflect the strength of our people, platforms, and execution.

We remain confident that our AI-led strategy, strong customer relationships, and differentiated execution capabilities position us well for the opportunities ahead.

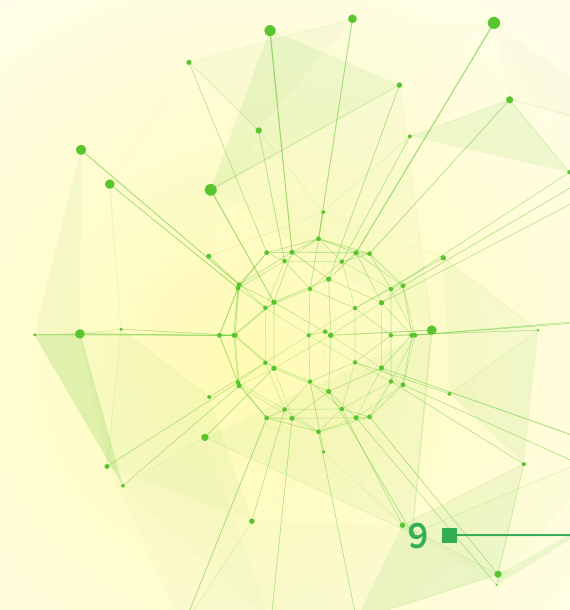
We extend our sincere appreciation to our customers, delivery teams, Board, shareholders, and all stakeholders for their continued trust and support.

We wish you all good health, happiness, and continued progress in an AI-powered world.

With warm regards,

Ashok Soota
Chairman & Chief Mentor

Joseph Anantharaju
Co-Chairman & CEO





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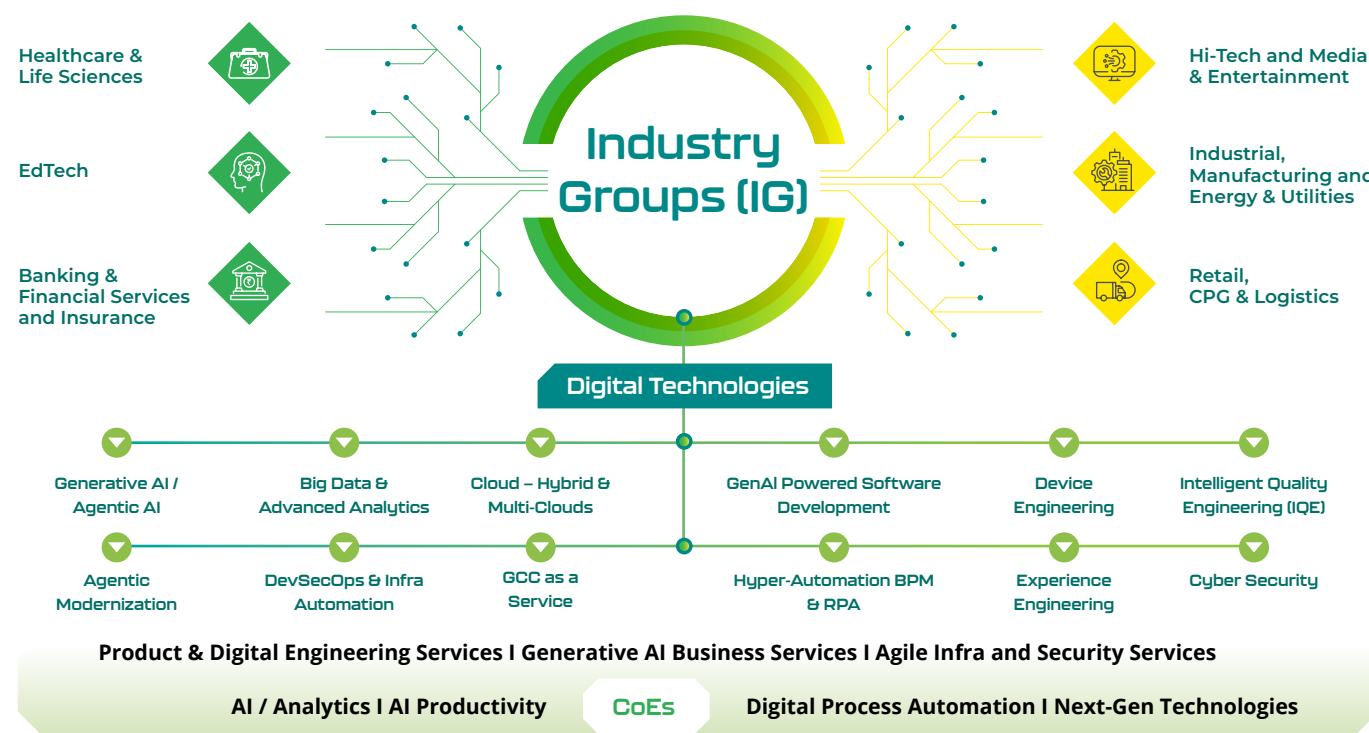
ABOUT HAPPIEST MINDS

Powering the Next Era of AI-Driven Innovation

Happiest Minds is an **AI-First Digital Engineering Company** specializing in Product & Digital Engineering, Generative AI, Cybersecurity, Analytics, and Infrastructure Management.

We collaborate with leading global enterprises to design, build, and manage end-to-end digital solutions that strengthen competitiveness and support agility in a fast-changing business environment. Through deep engineering expertise and agile delivery, we help organizations respond quickly to emerging opportunities and translate technology investments into measurable outcomes.

Powered by innovation and a strong commitment to sustainable growth, our solutions contribute to shaping a digital-first future that is resilient, inclusive, and built for long-term progress.



Global Certifications

- ISO 9001:2015: Quality Management System
- ISO 27701:2019: Privacy Information Management System
- ISO 27001:2022: Information Security Management System
- CREST: Penetration Testing Operating in EMEA
- ISO 20000-1:2018: Service Management System

Comprehensive Offerings Across the Digital Lifecycle

Product & Digital Engineering Services (PDES)

Helps enterprises and digital-native companies build future-ready products and platforms. Leverages our engineering expertise, innovation-led culture, and domain knowledge to unlock digital capital.

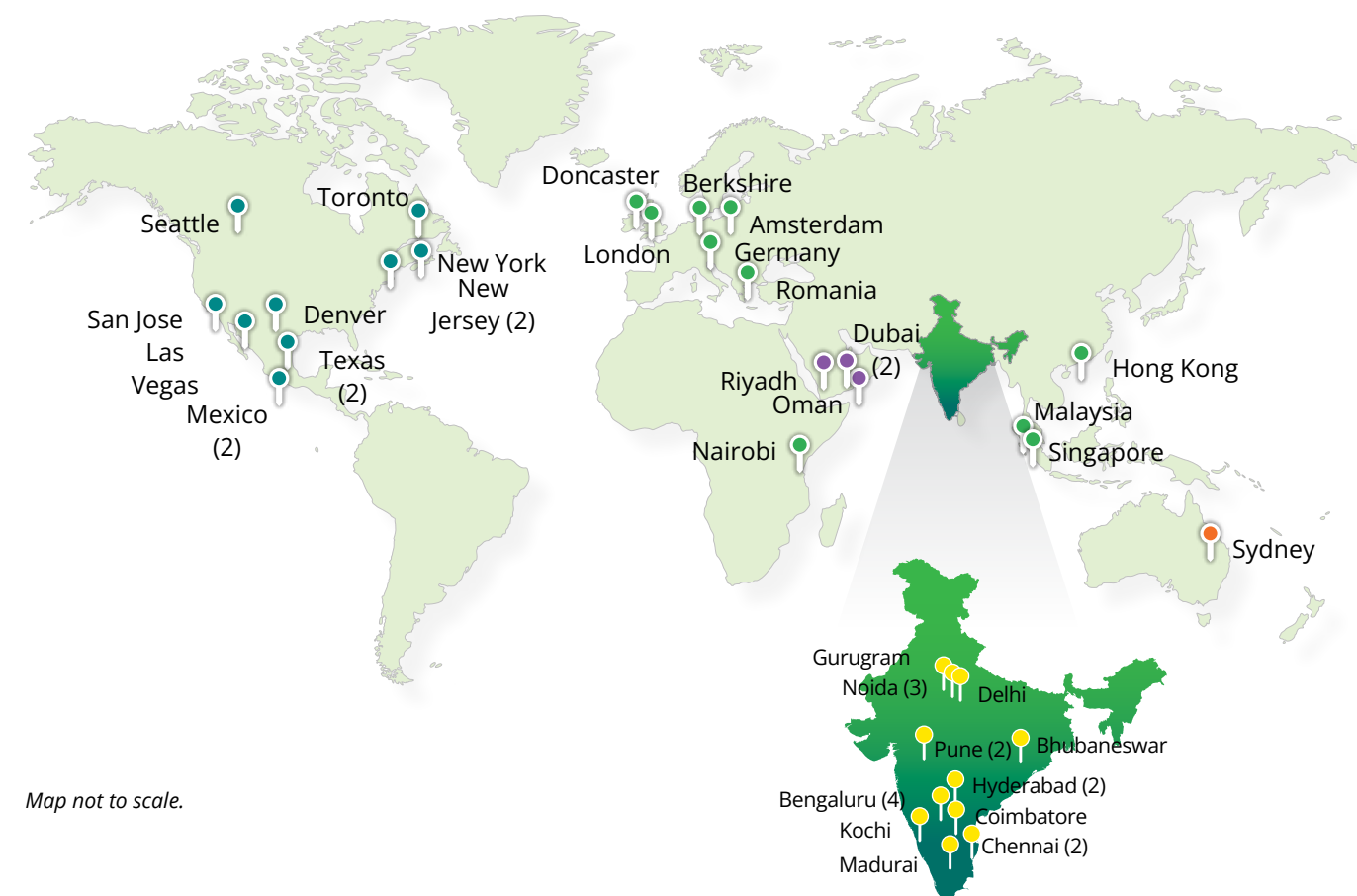
Generative AI Business Services (GBS)

Enables organizations to harness Generative AI to drive creativity, enable autonomous decision-making, and deliver personalized experiences at scale.

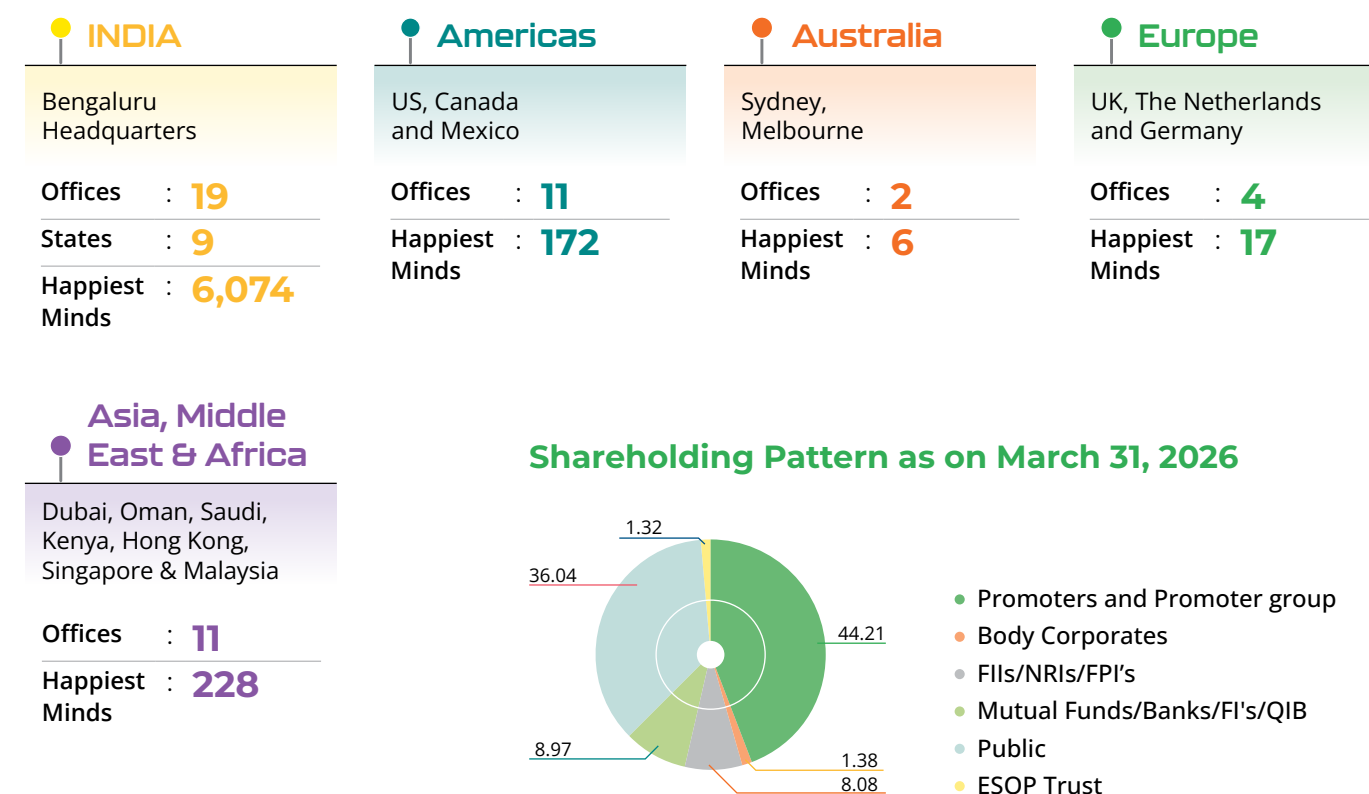
Infrastructure Management & Security Services (IMSS)

Uses next-generation technologies to help organizations manage, transform, and secure complex, distributed hybrid IT environments.

Expanding Global Footprint



Map not to scale.



BUSINESS SEGMENT REVIEW

Product & Digital Engineering Services (PDES)

Happiest Minds strengthened its Product and Digital Engineering Services (PDES) business by deepening domain capabilities, expanding global reach, and sharpening its focus on industry-led digital solutions. The business continued to support

enterprises in building scalable products, modern platforms, and technology-led business models. Its emphasis on innovation, integration, and outcome-led execution helped deliver key milestones during the year.

A Trusted Digital Partner

PDES continued to serve as a trusted digital transformation partner for enterprises across industries. Its deep capabilities across digital, data, and AI-enabled clients to accelerate modernization and build future-ready products and platforms. This impact was reflected in a video testimonial from Coca-Cola United, highlighting the value delivered through Happiest Minds' digital, data, and AI solutions.

Customer-Centric Delivery

The business continued to strengthen customer relationships through close engagement, agile delivery, and outcome-focused execution. It remained aligned with client priorities across the six key industries, helping enterprises address evolving technology needs, improve speed-to-market, and create measurable business value through digital engineering-led solutions

Industry Recognition

PDES continued to earn recognition for its digital engineering capabilities, technology depth, and innovation-led delivery.

- Recognized as a 'Star Performer and Major Contender' in the latest Everest study for Software Product Engineering Services
- Named a Star Performer in Everest's Retail Services PEAK Matrix
- Recognized as a Rising Star in Technology, Transformation and Consulting Services for Manufacturing Industry Services and Solutions by ISG
- Received several industry and technology recognitions that reinforce the Company's position as a leading digital engineering partner across core segments



Our Vertical Focused Offerings

We offer a diverse range of tailored services designed to meet the specific requirements of the following industries:

Banking, Financial Services & Insurance

Happiest Minds partners with leading banks, insurers, reinsurers and intermediaries to embed intelligence across their enterprise systems. Through platform-led engineering and AI-driven transformation, the Company helps modernize core banking, lending, intelligent claims and policy administration. Its capabilities across digital engineering, data visualization, proprietary platforms and GenAI enable clients to improve efficiency, strengthen resilience, enhance customer experience and digitize with confidence while balancing compliance, risk and return optimization.

OFFERINGS

Solutions harness AI-driven analytics, automation frameworks and GenAI capabilities to deliver:

- Digital onboarding & automated KYC/AML
- Cybersecurity & advanced Security Operations Centers (SOC)
- Lending & real-time payments
- Fraud detection & risk management
- Straight-through underwriting & claims processing
- Embedded insurance models
- Gen AI-powered fraud detection
- Automated claims & investigation management
- Efficiency across customer service, policy administration, renewals, endorsements, and commission management

CASE STUDY

Strategic Partner for Automating Service Desk Request Resolution for a US-based Insurance Claims Management Firm

Business Challenge

The client sought to improve employee experience by enhancing IT helpdesk interactions and automating manual tasks. It is also aimed at strengthening customer experience through better website interactions and faster service desk response times.

Solution Provided

- **Employee Service Desk:** Enabled self-service conversational interfaces through helpdesk automation, supported by an AI-based virtual assistant bot with NLP and a self-learning engine
- **Customer Service Desk:** Integrated a website bot for claim status inquiries and other services, with data routed to the cloud or in-house servers based on legal requirements

Impact

35%

Reduced agent workload

40%

Service request handling efficiency boosted

35%

Increment in customer satisfaction (CSAT)

Healthcare & Life Sciences

Happiest Minds' Healthcare and Life Sciences industry group helps customers adapt their business and technology landscape to evolving business models, emerging compliance requirements and stronger ecosystem-wide security needs. The Company partners with customers across provider engagement, clinical trials, digital surgery, medical affairs and supply chain to transform service and engagement models, reduce paper-based workflows and drive better outcomes.

OFFERINGS

Life Sciences

- AI-infused Bioinformatics Services
- AI-aided Platform Modernization
- Gen AI infused Research Assistants
- AI-assisted Commercialization
- IT/OT Cybersecurity
- Modern Data Platforms Engineering
- Infrastructure Modernizations
- Test Automations and AI Process Validations

MedTech

- Hardware/Firmware/Software/Mechanical Design & Development
- FPGA Design & Validation
- Software as a Medical Device
- Usability Engineering
- Sustenance Engineering
- Medical Device Manufacturing - DfX
- DHF Remediation
- Reliability & Testing Capabilities

Healthcare

- Patient & Provider Engagement
- PHM | Value-Based Care
- Revenue Cycle Management
- EMR Implementation
- FHIR Interoperability
- Healthcare Data Democratization
- Hospital at Home
- Healthcare Cybersecurity

CASE STUDY

Integrated & Connected Health System for Healthcare Organization Operating Clinic & Diagnostics Chain

Business Challenge

- The client, an integrated healthcare organization offering healthcare, diagnostic and wellness services, sought to implement an integrated platform for its diverse specialty clinics. It required to coordinate front- and back-office operations and enable integration with third-party software and hardware equipment.

Solution Provided

- Implemented and customized web-based Practice Management Software to support daily clinic operations
- Designed and integrated an FHIR repository to enable semantic interoperability
- Developed ambient models and clinical widgets, including dental charts and pain assessment tools, to improve documentation accuracy
- Enabled patient portals for appointment scheduling, document upload, health record access, prescriptions and invoices
- Automated reminders and notifications across Email, WhatsApp and SMS

Impact

80%

Reduction in paper-based work

25%

Improvement in cohort engagement efficiency and reduced review and approval turnaround times through automated reminders

20%

Less errors at the point of data collection

Accelerated

Patient onboarding, reducing turnaround time from weeks to days

EdTech

EdTech remains a strategic priority for Happiest Minds across Pre-K, K-12, higher education, professional learning, workforce development and lifelong learning. Guided by its 'AI First. Agile Always.' ethos, the Company partners with academic institutions, EdTech providers and publishers to deliver measurable outcomes across the learning ecosystem.

Technology services are facilitating

- **Learner Recruitment and Onboarding:** Deploys AI-powered engagement, chatbots and recruitment assistants to guide applicants, respond instantly and improve enrollment conversion
- **Personalized and Accessible Learning:** Enables adaptive content and inclusive design to support different learning abilities, languages and accessibility needs
- **Engagement, Retention and At Risk Identification:** Uses classroom interaction analytics and learner signals to identify disengagement early and support timely academic intervention
- **Faster and More Scalable Content Creation:** Applies AI-assisted content factories to accelerate learning materials, summaries, assessments and accessible resources while reducing manual effort
- **Lower Educator and Administrative Workload:** Uses AI assistants, workflow automation and resource planning tools to reduce routine tasks across instruction, admissions and operations
- **Modern and Trusted Assessments:** Builds adaptive assessment platforms and secure test delivery models to ensure integrity, fairness and readiness for large-scale, high-stakes evaluations
- **Career Progression and Alumni Engagement:** Supports employability, lifelong learning and institutional relationships through intelligent career coaching and alumni engagement engines

- **Data-Driven and Secure Operations:** Creates AI-ready data foundations, transparency platforms and secure infrastructure to enable informed decision-making at institutional scale

OFFERINGS

- Strategic Consulting
- Platform Development & Modernization
- Open-Source Solutions for Education
- Mobility Solutions
- Data Analytics & Business Intelligence
- Accessibility & 1Edtech Compliance Services
- Integration Services
- Education CRM, ERP & SIS
- Generative AI Solutions for Education
- Digital Process Automation
- Cybersecurity in Education
- Personalized Content Services

CASE STUDY

Digital Transformation of a Leading Business School Using the RISE Framework

Business Challenge

- A leading management school sought to modernize its siloed IT ecosystem across SIS, CRM, FinOps, LMS, Career Services, Alumni Management and HRIS. Key challenges included limited system integration, manual processes, fragmented workflows, redundant data entry and inconsistent reporting

Solution Provided

Happiest Minds is applying the RISE Framework, a structured approach that helps institutions rebuild legacy systems, improve existing platforms, synchronize data across functions and expand capabilities through emerging technologies.

- **Rebuild:** Replacing the legacy SIS with a D365 CRM-based system for unified academic records and migrating the custom HRIS to the Dynamics 365 ERP HR module to centralize employee and faculty management. AI-enabled solutions are also being infused across student recruitment, teaching and learning, and institutional information access
- **Improve:** Enhancing D365 CRM and FinOps through workflow automation and advanced reporting, while optimizing Career Services, Alumni and Library systems for better usability and cross-functional integration
- **Synchronize:** Integrating key systems to enable seamless, real-time data flow across departments and deploying unified portals for students, faculty, staff and alumni with consolidated views and streamlined workflows
- **Expand:** Introducing donor management, AI-powered document processing, flexible LMS options for executive education and AI-driven personalization tools to improve learner engagement and institutional agility

Impact

- The ongoing transformation is automating cross-functional processes and creating a single source of truth for academic and administrative data. Early outcomes include improved transparency, streamlined workflows and better experiences for students, faculty, staff and alumni, positioning the institution for AI-driven innovation and long-term scalability

Hi-Tech, Media & Entertainment, Professional Services

Happiest Minds supports Hi-Tech, Media and Entertainment, SaaS and Professional Services enterprises in their transformation journeys, from chip to cloud. The Company helps customers improve efficiency, strengthen agility and accelerate growth while preparing their businesses for an AI-first future.

Hi-Tech Offerings

Its services span product engineering, IT and go-to-market acceleration, delivered in close collaboration with ISVs, OEMs and enterprises. These capabilities enable robust, future-ready solutions powered by data, AI and emerging technologies.

Key services

- Platform Modernization
- Intelligent Operations
- Application Software/Web/Mobile App Development
- Data Strategy, Governance, and Visualization
- Network Application and Orchestration
- Customer Experience Transformation
- FPGA, Hardware, and Embedded System/ Device Engineering
- Quality Engineering and Test Automation

Media & Entertainment Offerings

Happiest Minds operates at the intersection of audience, AdTech and content in the Media and Entertainment industry. The Company helps media organizations reimagine audience engagement, transform AdTech capabilities, and engineer content and information services platforms. Its Agentic AI-led approach enables stronger audience, advertising and content outcomes.

Key services

- Audience.AI – Audience Experience Transformation
- AdTech Transformation
- Content.AI
- Gaming Innovation
- Business Intelligence & Data Solutions
- Ad / Content Testing & Quality Assurance

Professional Services Offerings

Happiest Minds partners with professional services organizations across audit, tax, regulatory, payroll and administrative domains to build unified customer engagement platforms. Its platform engineering and managed services capabilities help create new revenue streams, improve operational efficiency, reduce costs and enable digital transformation.

Key services

- Platform Engineering and Modernization
- AI- and Data-Driven Intelligent Automation
- IT Operations Transformation
- Cloud-Native Digital Transformation
- Enabling Scalable and Highly Available SaaS Platforms
- Managed Shared Services Platforms
- DevSecOps-Based Development and Deployment
- Innovative Multishore Pod-Based Engagement Models

CASE STUDY

Improved Engagement & Subscription for One of the World's Leading Broadcasting Companies

Business Challenge

- The client aimed to significantly boost subscription growth and user activity on their platform, focusing on improving key performance metrics such as retention and conversion rates

Solution Provided

- Deployed content and platform-wise time-based cohorts to measure and predict retention, drop-off rates, and shifting user interests, providing deeper insights into behavioral trends
- Refined dynamic customer segmentation models to identify high-value audiences for targeted up-selling and cross-selling initiatives
- Utilized predictive analytics to analyze data on inactive customers and predict those most likely to drop off

Impact

10%

Increase in bundle packaging subscriptions

20%

Increase in overall purchase intent

5%

Higher engagement level

Personalized Content

Delivered based on user preferences, resulting in higher user engagement

Improved

Measurement and enhancement of conversion and retention metrics



Industrial, Manufacturing, Energy & Utilities

Happiest Minds helps industrial manufacturing, energy and utilities enterprises build intelligent, connected and resilient operations through digital engineering and domain-led consulting. The Company leverages AI, Generative AI, Industrial IoT, data analytics, digital twins and automation to support the shift from reactive operations to predictive and autonomous models.

Its solutions improve asset performance, operational efficiency and data-driven decision-making across the value chain. From smart manufacturing and asset lifecycle management to grid modernization and energy operations, Happiest Minds delivers measurable business outcomes. The Company also strengthens productivity in the workforce and creates seamless experiences for customers, operators and field engineers. Its focus on safety, sustainability and regulatory compliance helps enterprises optimize costs and build stronger operational resilience.

OFFERINGS

Industrial

- Connected Devices
- Intelligent Platforms
- Industry 4.0
- Predictive Maintenance
- Supply Chain Management
- Customer 360
- PIM, DAM, CMS, CDP
- Service Operations & Management

Manufacturing

- Connected Mobility/Vehicles
- Connected Products
- Industry 4.0
- Production Scheduling
- Demand Forecast
- Customer 360
- E-commerce/PIM, DAM, CMS, CDP
- Salesforce/MS Dynamics

Energy & Utilities

- Service Order Management
- Smart Metering
- Digital Twin
- Connected Plants
- PIM, DAM, CMS, CDP
- E-Commerce
- Digital Worker App

CASE STUDY

Empowering smart and healthy spaces

Business Challenge

A leading provider of indoor air quality and safety solutions sought to scale its intelligent Far-UVC lighting ecosystem to support growing adoption. The absence of a unified digital platform limited seamless device commissioning, real-time monitoring and remote control. The client also needed cloud connectivity, over-the-air updates and proactive alerts to deliver a connected, user-friendly and scalable solution.

Solution Provided

- Designed and implemented a centralized, cloud-enabled digital platform to manage devices, users and operations
- Enabled intuitive mobile and web applications for device commissioning, monitoring and control across local and remote environments
- Integrated real-time monitoring, alerts and notifications to improve operational visibility and responsiveness
- Established a scalable architecture to support continuous updates, remote diagnostics and better serviceability

Impact

Accelerated time-to-market

Enabling faster deployment of connected solutions

Reduced operational costs

With remote monitoring, proactive alerts, and streamlined maintenance

Enhanced user experience

Through seamless device management and intuitive interfaces

Improved customer satisfaction and adoption

Driven by a reliable, connected, and scalable platform



Retail, Consumer Packaged Goods & Logistics

Retail, Consumer Packaged Goods and Logistics enterprises face ongoing disruption from business and technology shifts, increasing the need for agility, visibility and resilience. Happiest Minds helps these industries respond to changing business and consumer behavior and build digital enterprises for sustainable growth.

Its ecosystem-led solutions enhance customer experience, increase share of wallet and streamline operations across the enterprise and supply chain. The Company leverages its Domain Expertise Technology (DXT) approach, combining domain, experience and technology, to enable informed decision-making across planning, logistics, retailing, last-mile fulfillment and consumer purchases.

OUR OFFERINGS

- Transportation and Warehouse Platform Advancement
- Solution Architecture and Design
- Platform Implementation and Integration
- Migration and Modernization
- Testing and Quality Assurance
- AI and Advanced Analytics
- Analytics and Intelligence

- CPG Supply Chain Management
- Procurement
- Distributor and Retailer Enablement
- Consumer Services
- Precision Merchandising
- Store of the Future
- Omnichannel Enterprise
- Direct-to-Consumer
- Retail Marketing

CASE STUDY

AI-Powered Virtual Agent for a CPG Leader

Business Challenge

The client needed to modernize cooler operations by shifting from a reactive to a predictive management approach. Limited real-time visibility into cooler performance, availability, and priority actions made it difficult for Sales and Operations teams to take timely, data-driven decisions, impacting efficiency and asset utilization.

Solution Provided

To address this, we developed an AI-powered Virtual Agent to streamline support and enhance decision-making. The process included:

- AI Agent development: Built a Retrieval-Augmented Generation (RAG)-based agent integrated with Microsoft Teams for real-time insights
- Multi-channel support: Enabled Microsoft Teams with WhatsApp planned for future phases
- Multilingual capabilities: Supported English and French, with Arabic planned
- Personalization: Delivered tailored insights for ~1,000 internal users across Sales and Operations
- Multi-modal interaction: Enabled responses in text, charts, graphs, and images
- Data integration: Connected Databricks SQL Warehouse and Power BI dashboards for reliable analytics
- Data modernization: Initiated a proof of concept using Microsoft Fabric
- Automation: Provided recommendations, alerts, and unified access via a chatbot interface

Impact

Optimized cooler placement and redeployment

based on performance data

Improved sales insights

and regional trend analysis

Increased operational efficiency

through predictive maintenance and reduced downtime

Enabled real-time, data-driven decision-making

for Sales and Operations teams

Delivered a scalable chatbot interface

for cooler management across geographies

BUSINESS SEGMENT REVIEW

Generative AI Business Services (GBS)

A Year of Shifting to an AI-First, Enterprise Scale Approach

Generative AI Business Services (GBS) helps enterprises operationalize AI responsibly by embedding intelligence into employee workflows, core operations, and AI-native products. It enables organizations to move beyond standalone AI tools and fragmented pilots toward agent-driven **systems of action**, where AI can reason, act, and execute within clearly defined policy and governance frameworks.

During the year, Happiest Minds' approach to AI marked a shift from experimentation to AI-first, enterprise-scale transformation. As clients progressed rapidly from pilots to production, the focus moved beyond isolated use cases to governance, control, scale, and sustained business impact. GBS played a central role in this evolution by helping organizations translating their AI investments into measurable outcomes. This enables clients to move faster, operate smarter, and scale AI with confidence.

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Enabling Enterprises to Move from AI Experiments to Systems of Action

As enterprises accelerated AI adoption, many found themselves grappling with fragmented tools, disconnected architectures, limited governance visibility, and a widening gap between pilots and enterprise scale impact. This fragmentation slows value realization and possesses operational, financial, and regulatory risks.

Happiest Minds' **Generative AI Business Services (GBS)** is shaped to address this exact inflection point, helping organizations move beyond isolated AI initiatives to **governed, scalable, and outcome-driven AI adoption** across the enterprise.

How GBS Enabled Enterprise Transformation

GBS supported enterprise transformation across **three interconnected dimensions**, ensuring AI-delivered tangible business outcomes rather than standalone experimentation:

AI-Augmented Employees

- Enabled copilots, knowledge assistants, and digital workers
- Enhanced employee productivity and decision-making
- Embedded AI into day-to-day roles

Intelligent Operations through Agentic AI

- Introduced policy-aware, agent-driven workflows
- Automated and orchestrated complex operational processes
- Advanced from task automation to intelligent, autonomous execution

AI-Native Products and Solutions

- Supported the design and modernization of AI-native products
- Built for scale, compliance, and monetization
- Enabled intelligence across customer-facing platforms and core offerings

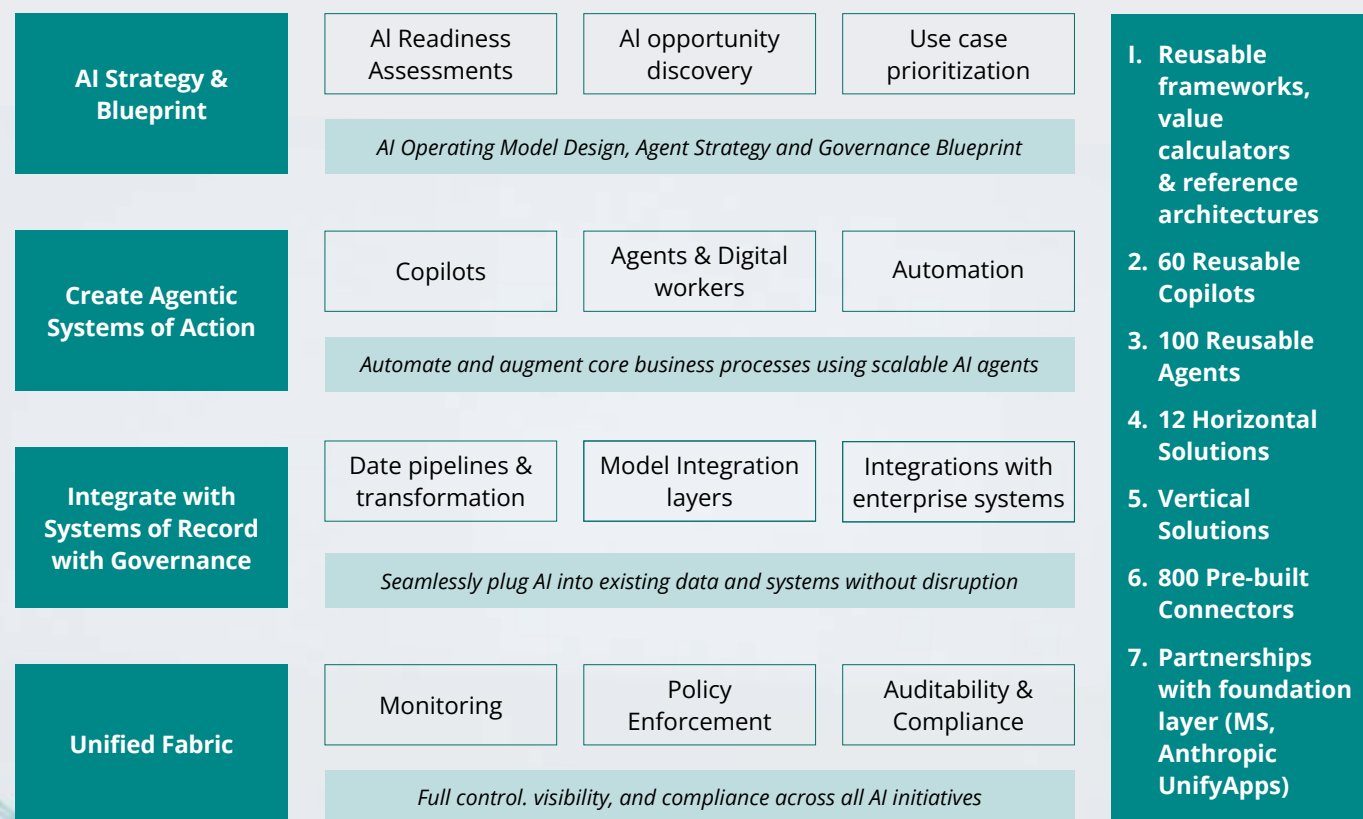
AI-Enabled Service Delivery

AI for Software Development | AI Service Desk | AI-enabled Security Ops

From Systems of Record to Systems of Action

GBS has been enabling enterprises to progress from insight generation to AI-driven systems of action. It helped clients operationalize AI responsibly by combining multi-agent orchestration, decision intelligence, and embedded governance, with transparency, auditability, and control. This results in accelerated execution across business workflows. GBS allowed organizations to integrate AI seamlessly with existing systems of record, while maintaining centralized oversight across models, agents, and automations.

How Happiest Minds Enables Enterprise AI at Scale



Value Delivered Across Industries

Ambient AI for Clinical Documentation

Implemented an Ambient AI-powered clinical documentation solution to enhance clinical efficiency and streamline medical note creation during in-person consultations. The solution seamlessly integrates with the Patient Management System (PMS), enabling real-time transcription, multilingual support, and automated generation of structured clinical summaries while allowing doctors to stay focused on patient interactions.

IMPACT

- Reduced clinical documentation effort and post-consultation workload
- Supported multilingual clinical documentation across consultations
- Ensured secure and compliant handling of clinical data

Gen AI Copilot for Digital Sales Platform

Implemented a Generative AI-powered copilot to assist users in efficiently creating digital forms and configuring rules within a digital sales platform for insurance and financial services. The solution recommends standardized tags based on field inputs, enabling faster form creation, improved data consistency, and streamlined digital sales workflows across the platform.

IMPACT

- Reduced manual effort in mapping tags and creating rules
- Guided users with real-time AI suggestions, minimizing configuration errors
- Enabled scalable management of form libraries with centralized tag updates
- Supported seamless integration across workflows through an API-first architecture

AI-Powered LMS Roleplay Platform for Experiential Learning

Implemented a Generative AI-powered roleplay platform within the client's Learning Management System (LMS) to enable experiential learning through realistic workplace conversation simulations. The solution automatically generates scenario-based roleplays aligned with training content, allowing learners to practice real-life interactions, receive AI-driven feedback, and track behavioral skill development within a safe and engaging learning environment.

IMPACT

- Improved leadership and service training effectiveness with scenario-based practice
- Provided automated feedback and performance ratings for continuous skill development
- Reduced reliance on instructor-led training while improving knowledge retention
- Tracked learner progress across simulations to measure behavioral improvement
- Delivered scalable, always-available coaching through AI-driven interactions

BUSINESS SEGMENT REVIEW

Infrastructure Management and Security Services (IMSS)

The Infrastructure Management and Security Services (IMSS) division is built on one core principle, to deliver an integrated capability that keeps enterprise IT environments secure, resilient, and future-ready across every layer of the technology stack.

On the infrastructure side, IMSS services span the full spectrum, including Cloud and Data Center strategy, transformation, and managed operations, along with Databases and Application Platforms, Digital Workplace, Enterprise Networking, and ITSM and ITOM Tools. Whether an enterprise is migrating to the cloud, modernizing its data center, optimizing networks through SDN and SDWAN, refreshing end-user environments, or consolidating

IT operations tooling, Happiest Minds engages through a structured Consulting, Transformation, and Managed Services model. This model supports organizations from strategy through steady-state operations. WATCH360, powered by the proprietary ELLIPSE AIOps platform, underpins these services by delivering intelligent 24x7 management with real-time visibility, automation, and cost optimization built in.



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Security is not an add-on; it is a core design principle woven through every layer of the infrastructure. The Security Services Portfolio is structured around three interconnected pillars:

Strategy and Consulting:

Helps enterprises define and strengthen their security posture from the ground up, covering Digital Risk and Compliance, Zero Trust Readiness, BCP/DR Consulting, V-CISO Advisory, and AI Security Assurance.

Transformation and Professional Services:

Sets the enterprise environment across four critical domains - Identity Security (PAM, IAG, and Zero Trust); Cloud Infrastructure Protection (CSPM, CNAPP, and SASE); Threat and Vulnerability Management (infrastructure, application security testing, and DevSecOps); and OT Security, addressing the growing risk at the convergence of operational and IT environments.

Managed Security Services:

Delivers continuous, around-the-clock defense through MDR and XDR, SOAR, Threat Intelligence, Incident Response, Cloud SecOps, and integrated IT-OT security monitoring. These services are powered by SecAIGenie - Happiest Minds' GenAI-driven security platform, which automates threat hunting, vulnerability management, and identity governance within an autonomous SOC 3.0 framework.

Our Enhanced ELLIPSE Platform

Unified Observability

Centralizes telemetry from all sources (metrics, logs, events and traces) across infrastructure and applications.

AIOps Engine

Filters, correlates, and simplify alerts into actionable incidents. Detects anomalies, analyzes root causes, and suggests GenAI-backed solutions.

Automated Actions

Ties RCA and events to automate self-healing workflows.

Self-Service

Self-service for IT users (Tier 0/1) and Assistance for IT Support Agents (Tier 2/3)

Digital Employee Experience

Proactive visibility into end-user device health, real user monitoring, and proactive issue resolution.

Asset Intelligence

Discovery engine with a service-aware CMDB, giving unified visibility across IT

Benefit	Description	Indicative Impact
Faster Service Onboarding	Agentless collection and auto-discovery reduce manual steps in onboarding devices and services.	60–70% reduction in onboarding effort
Operational Efficiency	Single-window operations eliminate manual cross-tool correlation during incident triage.	30–40% less effort for incident triage
Noise Reduction & Accuracy	Deduplication, suppression, and correlation improve signal quality and reduce alert storms.	>50% fewer noisy alerts
Faster Resolution (MTTR)	AIOps-driven RCA and GenAI recommendations guide fixes and shorten investigation cycles.	20–30% reduction in MTTR
Automation	Event-driven, governed remediation executes playbooks for common issues (restart services, scale nodes, etc.).	20–30% less manual intervention; improved uptime
Self-service & self-heal for end-users	AI-powered self-service automations for IT and business users reduce tickets/calls into service desks.	20-30% reduction in Service Desk calls/tickets
Agent Assist	Auto enrichment of tickets, next best actions, similar incidents, and RCA summaries to cut ticket handling time.	Increase FCR by 20% from the current baseline

Infrastructure Management & Cybersecurity Services

Infrastructure Management Services

A structured 'Consult + Transform + Manage' model that takes organizations from strategy to steady-state operations across every layer of the IT stack.

Service Domain	Consulting Services	Transformation Services	Managed Services
Cloud & Data Center	Cloud Strategy Datacenter Transformation Infrastructure & Application Modernization	Hybrid Cloud Design, Build & Migration Datacenter Design, Build & Migration DevSecOps Integration	Cloud Managed Services Datacenter Managed Services DevOps & FinOps Support Services
Databases & Application Platforms	Database Migration & Consolidation Strategies Database Security & Process Assessments	Database & Middleware Design & Build Database Migration & Modernization Database Security & Compliance Setup Database Performance Tuning & Restructuring	Database, Middleware and Application Platform Support Database Engineering Support Reporting & Insights
Digital Workplace	Strategies for SDN, SDWAN Network Optimization Database Security & Process Assessments	Detailed Network Designing Network Deployment Planning Network Deployment, Migration and Validation	Network Operations (NOC) Network Engineering Support IP Telephony, Audio and Video System Monitoring and Support
Enterprise Networking	End-user Device Analysis Cloud Services Adoption Strategies End-user Automation & Analytics Use Cases	Device Refresh & OS Migration Directory Services Migration UC & Collaboration Migration DaaS Implementation	End User Service Operations Desktop Engineering Services Service Desk
ITSM & ITOM Tools and Platforms	Tool Consulting UX/EX Driven Recommendations IT Process Consulting	Tools Consolidation Tools Implementation, Integration & Migration	Tool Platform Maintenance Tools Customization and Engineering Workflow Automation

Powered by WATCH360 (AI-infused Managed Infrastructure Service) and the ELLIPSE AIOps Platform — delivering intelligent 24x7 monitoring, automation, and real-time CXO visibility across the entire IT estate.

Our Security Services Portfolio

Security built into every layer of the infrastructure, from the first consulting conversation to ongoing managed operations.

Digital Risk & Compliance Consulting

- Compliance Consulting — ISO27001, ISMS, PCI-DSS, SOX ITGC, NIST
- Risk Management — Cyber Risk, OT, TPR, ASD, NESA, CSA
- IS Policy Review & Remediation
- ZTA Readiness & Assessment
- Control Automation
- BCP/DR Consulting
- Firewall Security Audit
- Infrastructure Security Testing
- V-CISO as a Service
- Attack Simulation Testing

Managed Security Services (Support, Remediate & Enhance)

- MDR & EDR
- Security Automation as a Service
- TI & Brand Monitoring as a Service
- OT/IT Integrated Security Monitoring
- Cloud Security Monitoring and Operations
- Firewall Management
- UAM Manual Support
- Support, Operations & Enhance – DLP, CASB, PAM, IAG, EPP, Email, Firewall
- Cloud Security Compliance & CSPM

Transformation & Professional Services (Cloud & On-Prem)

Identity Security

- Consulting (AS-IS and Roadmap)
- Implementation – PAM, IAG, IDaaS
- Identity Vigil (IDaaS) Platform

Data Privacy & Protection

- Sensitive Data Discovery & Classification
- Data Protection & Loss Prevention
- Cloud Access Security Broker (CASB)

Advanced Threat & Vulnerability Management

- Application Security Testing
- Vulnerability Management
- Red Teaming
- Secure Code Reviews & DevSecOps

OT Security

- OT Risk Assessment
- OT/IoT Security Threat Management
- OT Security Monitoring & Response

Powered by SecAIgenie (GenAI Security Platform) and Secureline360 (Managed Detection & Response) enabling autonomous SOC 3.0 operations that resolve complex security incidents 3x faster than conventional approaches.



Our New SecAIGenie Platform

Incident Summarization

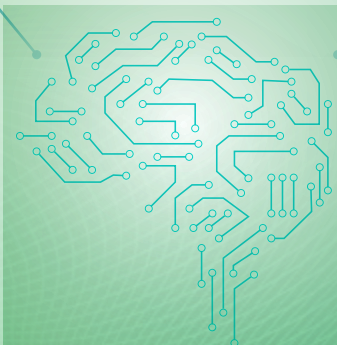
Automatically generates incident summaries from incoming data.

Threat Actor Triaging

Identifies and prioritizes threat actors dynamically.

Auto Investigation of Alerts

Crafts investigation steps and generates SIEM queries to thoroughly investigate alerts.



Happiest Minds SecAIGenie Features & Functionality

Alert Identification & Remediation

Predicts true positives and false positives for swift alert identification and generates remediation.

Integration with ServiceNow

Effortlessly integrates ticketing and tracking.

Learning and Adaptation

Adapts and improves recommendations with each incident.

Value Proposition

85%-time reduction in incident Handling

Higher accuracy in incident response with actionable insights

Better device and environmental context & enrichment

01 Case Study

Managed Infrastructure Services for a Global Enterprise Software Provider

The client, a leading third-party support and managed services provider for database and middleware products, faced operational inefficiencies and rising costs due to fragmented infrastructure management, multiple ticketing tools, and the absence of a unified service platform. SLA compliance and service quality remained inconsistent, while limited visibility and reporting capabilities affected operational control. ServiceNow was also underutilized, creating the need for a more integrated and efficient ITSM-led operating model.

Our Solution

- Unified monitoring and L1/L2/L3 support for Oracle, SQL, Sybase, PostgreSQL, and MySQL
- ITIL-aligned process implementation on ServiceNow; workflow automation and ticket handling enhancements
- Legacy tool replacement with ServiceNow ITSM and bi-directional Jira integration
- Cloud migration enablement and database activity monitoring
- Configuration assessment, security enhancements, and a long-term ITSM roadmap

Impact

~35%

Reduction in operational costs (US\$ 100K - US\$ 125K saved annually on database licensing)

Near-Zero

Downtime for data availability

80%

Automated email alerts

20%

Increase in user adoption via real-time dashboards and self-service tools

50%

Decrease in emergency changes

02 Case Study

End-to-End Security Services for a Leading US Healthcare Provider

The client, a major healthcare service provider in the US focused on safeguarding sensitive patient data and meeting compliance requirements, required 24/7 security monitoring and rapid response across a large and complex environment, including 200+ firewalls and 100K+ endpoints. The scope also covered IAM, PAM, and third-party risk automation, along with SOx and PCI compliance mandates. High false positive rates and slow threat detection further increased the need for a unified, responsive, and compliance-focused security operating model.

Our Solution

- 24/7 Cyber Operations Center with automated threat response
- SOC platform engineering for unified, single-pane visibility
- IAM and PAM automation and consolidation
- Implementation of zero trust strategy across cloud and DevOps environments
- SOAR-driven security dashboards for real-time insights

Impact

Centralized Security monitoring

leveraging existing tools

Improved MTTD & MTTR

For faster threat detection and response

SLA-based

Security infrastructure management

100+

Applications received stronger compliance and access governance



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36-75

Strategic Review

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KEY BUSINESS ENABLERS

The Pillars of Agility

Happiest Minds' growth is enabled by its ability to combine innovation, ecosystem strength and strategic expansion into a cohesive growth engine. Its Research and Development foundation keeps the Company aligned with emerging technologies and strengthens its AI-first delivery model through Generative AI, Agentic AI, automation, cybersecurity, IoT, data platforms and proprietary solutions. These capabilities are amplified through partnerships with global technology leaders, enabling faster co-creation, stronger platform alignment and wider market access. M&A further extends this foundation by adding specialized capabilities, industry depth, geographic reach and delivery scale. Together, these enablers help Happiest Minds stay relevant to evolving client needs, accelerate transformation outcomes and create sustainable long-term value.

The Company's key priorities are anchored in three key business enablers:

Research and Development

Partnership Ecosystem

Mergers and Acquisitions

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Research and Development

Into the AI-First Future

Strong AI-led R&D foundation and deep expertise in emerging technologies enable Happiest Minds to deliver solutions across the digital lifecycle. Guided by its AI-First, Agile Always approach, the Company continues to invest in AI, agentic platforms, emerging technologies and strategic partnerships to drive innovation and support customers in their digital transformation journeys.

AI Agile Engineering and Delivery

The Company has built an AI Agile delivery framework that combines our broad technology expertise with proprietary AI tools to deliver fast, high-quality, and customized software delivery.

AI-First Agile Engineering and Delivery Framework

Continuous experimentation using AI-driven methods and tools

Scalable delivery from ideation to production, ensuring tangible customer outcomes

Strategic technology selection to balance innovation and reliability

Enhanced project visibility, control, and risk mitigation across the lifecycle

Our intellectual capital spans Generative AI, advanced AI/ML, Big Data and Analytics, IoT, DevOps, Digital Process Automation, Quantum ML, Cloud, BPM, Integration, Security, Cybersecurity, Infrastructure, and FinOps. Agentic-first model, where autonomous agents drive development, operations, and decision-making. Delivering business and operational efficiency through intelligent agents, extending into agentic infrastructure and cybersecurity

Areas of Expertise

R&D programs help customers stay ahead in a fast-evolving technology landscape, with AI at the core.

Key innovation areas

Advancing Generative AI and Agentic AI to accelerate digital transformation and build next-generation products and platforms, supported by secure and scalable infrastructure

Strengthening expertise across AI/ML, IoT, DevOps, Agentic and Digital Process Automation, Big Data and Advanced Analytics, Blockchain/Web 3.0, Cloud Computing, Security, Drones and Robotics, Generative AI, Agentic AI and Quantum Computing

Enabling connected ecosystems across mobile devices and cloud platforms, powered by data, AI insights and seamless integration

Generative AI

The Generative AI Business Unit enables industrial enterprises to accelerate growth, efficiency, and innovation through Agentic AI. We provide end-to-end consulting, engineering, deployment, and support services to transform business workflows into intelligent, autonomous operating models across commerce, supply chain, engineering, and operations.

- Designing and implementing agentic solutions for industrial workflows such as commerce, supply chain, engineering, and operations
- Enabling intelligent automation through Agentic AI, copilots, and autonomous business processes
- Transforming traditional human-centric workflows into AI-assisted and autonomous operating models
- Leveraging Multimodal AI and image analytics for engineering, manufacturing, and technical document processing
- Providing end-to-end consulting, solution engineering, platform integration, governance, and managed support services

Marketing Analytics

The Company applies AI and advanced analytics to improve marketing effectiveness, content assessment, demand forecasting and budget allocation.

- Uses GenAI for influencer video analysis to detect product visibility, usage, attire and content sensitivity
- Evaluates ad banners across 18 psychological and visual attributes using AI
- Applies ensemble modeling for accurate demand forecasting
- Leverages advanced statistical modeling for Trade Promotion optimization and Promotion calendar optimization
- Leverages an in-house built tool for marketing budget optimization and scenario planning

Analytics / Artificial Intelligence

AI and analytics capabilities help enterprises modernize data ecosystems, generate insights and apply advanced intelligence across domains.

- Build data strategy and provides guidance on the modern data stack that is most suited for the Analytics use cases
- Modernizes BI systems
- Designs and develops modern data platforms
- Delivers bioinformatics and healthcare analytics
- Built a multi-omics platforms for genome analysis
- Applies computer vision for video and image analytics
- Leverages advanced quantum machine learning algorithms for specific molecular biology uses cases
- Conducts vibration analytics using frequency and thermal images
- Leverages an in-house image analytics platform for detecting medical disorders in MRI / CT / X-ray images
- Deploys an in-house (proprietary IP) multi-agentic solution that enables business users to query in natural language an enterprise's modern data warehouse and get results that are 100% accurate all the time
- Enables production deployment of ML models / LLM through end-to-end ML Ops and LLM Ops

Intelligent Internet of Things

Intelligent IoT capabilities enable connected, secure, and autonomous ecosystems by combining IoT, edge computing, AI, and analytics to transform operations, enhance decision-making, and create new business value. We help enterprises design, build, integrate, and manage intelligent connected solutions across devices, edge, cloud platforms, and business applications.

- Defining Intelligent IoT strategies and digital transformation roadmaps
- Engineering AI-enabled devices, edge systems, and connected platforms
- Integrating IoT, enterprise systems, and cloud platforms to deliver end-to-end business solutions
- Enabling real-time monitoring, predictive insights, and autonomous operations through AI and analytics
- Implementing secure, scalable, and resilient IoT architectures and cybersecurity frameworks

Cyber Security

Strengthens enterprise security through risk-led, domain-specific and AI-enabled cybersecurity solutions across modern digital environments.

- Manages digital risk, compliance and data privacy, including risk assessment, third-party risk assessment and cybersecurity for AI
- Secures and continuously monitors next-gen infrastructure, including hybrid cloud, serverless architectures and data environments
- Enables Zero Trust infrastructure and application protection
- Delivers advanced threat management for applications and infrastructure, DevSecOps, and Red Team and Purple Team activities
- Provides managed and extended incident detection and response across IT, OT and IoT environments
- Strengthens identity security and governance, privileged user access management, monitoring and governance
- Builds domain-specific cybersecurity solutions for healthcare, including platform and medical device security
- Supports attack surface reduction and breach attack simulation
- Applies GenAI-based security automation for threat detection and response, third-party risk assessment and validation, delivering more than 50% efficiency gain

Agentic Process Automation (APA)

Agentic Process Automation capabilities help enterprises move toward autonomous, AI-first workflows with governed, scalable and reusable automation models.

- **Next-Generation Automation Consulting:** Autonomous process mining, opportunity hotspot identification, business value assessment, and development of implementation charters and roadmaps
- **Hyperautomation CoE Design & Setup:** CoE strategy, operating model, governance, talent strategy, training programs, frameworks, and reusable toolkits
- **Agentic Process Design & Technology Consulting:** Process re-engineering with agentic patterns and AI-first design principles
- **Technology & Architecture Consulting:** Automation Platform and tool evaluation, solution architecture, and end-to-end design
- **Intelligent Agentic Automation:** Transformation, build, deployment, and ongoing support of agent-based automations
- **Cognitive Automation:** AI-driven decisioning, NLP, and learning systems embedded into workflows
- **Multi-Agent Orchestration:** Coordinated execution and governance across multiple autonomous agents
- **Agent Marketplace:** A curated ecosystem of reusable, secure, and governable AI and automation agents that can be rapidly discovered, deployed, and orchestrated to accelerate enterprise automation outcomes
- **Digital Automation:** LCNC - Low-Code/No-Code automation enables business users and developers to quickly design, build, and scale digital workflows with minimal coding while maintaining enterprise-grade governance and integration
- **AI-Powered Automation Migration Frameworks & Accelerators:** Rapid modernization of legacy automations to agentic models
- **Automation Digital Cockpit:** Centralized visibility into automation performance, value realization, and operations
- **GenAI-Powered Digital Agents Command Center:** Monitoring and control, governance, guardrails and compliance, operational support, and advanced analytics

AI Productivity

AI Productivity focuses on accelerating software and digital solution delivery by embedding AI and Agentic AI across the Application Development Lifecycle (ADLC). Improves speed, quality, and efficiency through AI-enabled engineering practices, intelligent automation, and standardized delivery platforms.

- Evaluating, incubating, and adopting AI tools and technologies across the ADLC
- Building AI-enabled delivery platforms that accelerate development, testing, deployment, and operations
- Leveraging Agentic AI for requirements engineering, software development, quality assurance, DevSecOps, data engineering, and infrastructure management
- Establishing enterprise standards, governance, and best practices for AI adoption
- Empowering delivery teams to effectively and responsibly integrate AI into client engagements
- Driving measurable improvements in productivity, quality, time-to-market, and delivery outcomes

Proprietary Platforms

Happiest Minds' proprietary platforms combine AI, automation, cybersecurity, data intelligence and domain-led engineering to help enterprises accelerate transformation, improve efficiency and create scalable digital outcomes.

Companions (GenAI-based)

GenAI-based Companion solutions support research, contract analysis, learning, and customer support. They simplify complex tasks through intelligent summarization, focused learning, and customer-level insights, enabling rapid deployment and tangible value for dozens of clients.

Omics 365

A multi omics platform that unifies the entire lifecycle - from data to insights and thus empowers researchers to efficiently derive comprehensive biological insights from their Omics data sets. The Omics included in the platform are Metagenomics, Transcriptomics, Epigenomics and Genomics.

ELAIRA

The next-generation AI-powered digital co-worker integrated into ELLIPSE 2.0, a proactive operations intelligence platform. Together, ELAIRA and ELLIPSE 2.0 redefine how enterprises run IT operations by combining conversational intelligence, validated knowledge, autonomous workflows, and compliance-first governance to deliver faster, smarter, and predictive support across global environments.

Rel(AI)Build

Rel(AI)Build is a unified agentic platform that enables teams to run and orchestrate predefined AI agents across the SDLC for faster, smarter software delivery. It also supports legacy product modernization.

Insurance-in-a-Box

InsuranceGPT is an AI-powered solution that modernizes insurance operations without disrupting existing core systems. It uses GenAI and low-code platforms to streamline underwriting, claims management and policy servicing, helping insurers improve efficiency, accelerate decision-making and enhance customer experience.

Arttha

Arttha is an innovative fintech platform that enables digital transformation for banks and financial institutions. Built on a modular microservices architecture, it offers solutions across banking, mobile wallets, digital customer onboarding, agent banking and lending, with a strong focus on financial inclusion.

Ellipse

Ellipse is a modular platform that integrates ITSM, ITOM, analytics and machine learning. It supports agile, intelligent IT operations and accelerates the shift to IT-as-a-Service for digital-first enterprises.

Intelligent QE Automation

This AI-enabled, model-based testing system covers UI, API, performance and security testing. GenAI-based test case generation and execution eliminates manual scripting, ensures consistent quality and accelerates development feedback loops.

Cyber Risk Protection Platform

The CRPP, built on MITRE ATT&CK® standards, combines multiple security technologies to deliver in-depth threat analytics and complete visibility across the risk lifecycle.

DCM SaaS

The GenAI-powered Digital Content Monetization engine delivers scalable, personalized insights. It offers low total cost of ownership and quick deployment to maximize digital asset value.

FuzionX Gaming Studio

FuzionX Gaming Studio is a B2B gaming services studio for gaming operators and suppliers in the interactive and land-based casino gaming market. It addresses industry needs around innovation, operational efficiency, regulatory compliance and player engagement at scale.

Secureline360

Secureline360 is a Managed Detection and Response solution customized to address diverse cybersecurity needs in an evolving threat landscape.

VMware Infrastructure Migration Solution

This solution enables secure and cost-effective migration from VMware environments, helping businesses avoid high licensing costs while ensuring operational continuity.

CX Hub

CXHub is an end-to-end customer experience platform that uses GenAI to provide real-time insights, self-service capabilities and contextual engagement, helping businesses build smarter customer journeys.

Nethra

Nethra is a computer vision-based platform for intelligent parking management, featuring license plate recognition, payment gateway integration and real-time slot monitoring.

SecAIGenie

SecAIGenie is a GenAI-powered security platform designed to unify and automate cybersecurity operations. Its integration with Secureline360 has helped transform Happiest Minds' SOC 2.0 into a next-gen SOC 3.0 framework with autonomous intelligence.

Enterprise Patch Management Solution

This platform identifies and remediates infrastructure vulnerabilities, improving system security and reducing operational risks.

CourseMap

CourseMap is a machine learning-based academic planning tool that helps students identify optimal degree paths and equips advisors with data-driven insights for holistic guidance.

MindraDoc

An offshoot of Nethra focused on healthcare image analytics that supports identifying medical disorders from images (e.g., Skin disorders, Teeth carries detection etc.) as well as standard CT scans / MRI / X-ray images.

WATCH360

Built on the ELLIPSE platform, WATCH360 offers enterprise-grade infrastructure management for SMEs, combining scalability, simplicity and robust service features.

Digital Twin

Digital Twin creates a real-time digital replica of physical assets, enabling predictive maintenance, advanced analytics and smarter field operations through intelligent simulation and live data streaming.

STRONG CLIENT BASE

Fostering a Long-Term Relationship

Our dedication to providing consistent value has built a solid client base. By utilizing our domain expertise, we meet the ever-changing needs of our clients, becoming their go-to partners in expansion. This commitment assists us in retaining existing clients as well as gaining new ones. Our capacity for understanding and predicting our clients' requirements has played a critical role in our ongoing growth and image as a solid partner.

Clientele Growth

In FY 2025-26, our clientele increased to 300+, with 92% of repeat clients. We onboarded 51 new clients during the reporting period, maintaining our clientele growth.

300+

Active clients

52

Million \$ customers based on Annualized revenues

92%

Repeat business

90+

Fortune2000/Forbes2000 Billion \$ corporations

\$864 K

Per Active Customer Revenue

41.1%

of FY 2026 Revenues from Customers tenured more than 5 years

68

Net Promoter Score (NPS)

Partnerships ecosystem

Co-Creating the Future

The Company collaborated with global technology leaders to co-create industry-ready solutions and accelerators to enhance its competitive edge. Its growing focus on Generative AI further reflects its commitment to innovation and deeper client engagement across digital transformation journeys.

servicenow (Premier Managed Services Partner)

Capitalizing on ServiceNow's leadership in ITSM to enhance value through Low-Code Application Platforms (LCAP) and Security/Risk solutions.

Key Highlights

- Global MSP Partnership; Reseller, Consulting & System Integration
- End-to-end services for ITSM, ITOM, LCAP, and IRM
- Launched ELLIPSE ITSM solution on ServiceNow
- Approved co-sell offerings and GTM alignment across key geographies
- Client Zero – Implemented ServiceNow Internally

PIMCORE (Strategic Partnership)

Delivering end-to-end solutions across data architecture, experience design, application consolidation, and product engineering.

Key Highlights

- Customized services in open-source PIM/MDM integration, digital asset management, CMS/UX automation, and e-commerce frameworks
- Delivered ~300 projects over eight years through a dedicated team of 150+ consultants



(Advanced Consulting Services Partner)

Enabling enterprise modernization by integrating the AWS stack - leveraging PaaS, cloud offerings, and data platform transformation.

Key Highlights

- Proven success in executing AWS cloud strategies
- Certified under the AWS Well-Architected Program and Authorized Commercial Reseller Program
- Certified Partner for Amazon EC2 for Windows Service Delivery
- Certified in Optimized Licensing Assessment (OLA) program for cloud migration funding
- Focusing on achieving AWS AI Competency to enhance GenAI solution delivery
- Actively collaborating with AWS Professional Services (ProServ) on client engagements



Microsoft (Member of the Microsoft AI Cloud Partner Program)

Driving modernization through Microsoft Cloud, development tools, and data platforms.

Key Highlights

- Solution Partner Designations in Modern Work and Security
- Advanced specializations such as Analytics on Microsoft Azure and Build AI Apps on Microsoft Azure
- Access to partner funding via Azure Migrate & Modernize (AMM) and Azure Innovate programs
- 19 co-sell-approved offerings on Azure Marketplace.
- Member of the Microsoft AI Partner Council, collaborating on Generative AI
- ECIF-enabled partners in the US, Singapore, Australia, the UK, India, Canada and the Netherlands
- Enrolled in Microsoft's ESI program for focused skill building activities
- CSP Reselling motion enabled in US, India, Australia & UK



Databricks (Silver Partners)

Key Highlights

- 60+ seasoned engineers, including 40+ Databricks-certified professionals
- Delivered outcomes across Retail/CPG, BFSI, Healthcare/Life Sciences, Hi-Tech, and Media/Entertainment
- Empowered 10+ clients through Managed Services and specialist augmentation
- Active GTM engagements across US & APAC



Google (Select Tier Partnership)

Key Highlights

- Focusing on achieving Managed Security Services provider (MSSP) Competency
- Range of service offerings leveraging GCP: Data Engineering & Architecture (Vertex AI & LLM's), Data Modeling & Data Governance, Performance Optimization, AI Capabilities – In-built tools
- On-Premises and Other Cloud to GCP Data Migration & Implementation
- Reusable FinOps Solution

MERGERS & ACQUISITIONS

Synergies Powering the Growth

M&A strategy continues to be an integral pillar of the Company's long-term growth agenda. The Company follows a disciplined, programmatic acquisition approach overseen by an Investment Committee comprising two Executive Directors. It selectively pursues acquisitions that enhance strategic relevance, add scale and strengthen its ability to deliver differentiated digital solutions across markets.

M&A Strategic Priorities

- Expand geographic presence across the United States, Europe and the Middle East
- Strengthen presence in key industry verticals, including Retail and Consumer Packaged Goods, Travel, Media and Entertainment, and Industrial and Manufacturing
- Broaden digital and next-generation technology capabilities across Cloud, Cybersecurity, Data and AI, including Snowflake and Databricks, ServiceNow, Salesforce and adjacent enterprise platforms such as SAP S/4HANA
- Deepen and scale global hyperscaler and platform alliances, particularly across Microsoft®, ServiceNow® and Salesforce® ecosystems



Strategic Acquisitions

Acquired Company	Date of Acquisition	Strategic Rationale
Cupola	09 May 2017	Strengthened IoT Center of Excellence (CoE)
OSS Cube	29 May 2017	Expanded digital and open-source capabilities with increased presence in North America
Happiest Minds Inc.	01 Jan 2021	Enhanced delivery capabilities and established leadership as Pimcore's largest offshore implementation partner
Sri Mookambika Infosolutions	03 Feb 2023	Deepened domain expertise in the healthcare vertical
Happiest Minds Edutech Private Limited	02 May 2024	Expanded presence in the EdTech segment
Aureus Tech Systems	27 May 2024	Strengthened Cloud, AI, and application modernization capabilities with strong Fortune 500 client relationships
PureSoftware Technologies	28 May 2024	Expanded BFSI and Healthcare & Life Sciences presence and strengthened global delivery through diversified locations
GAVS Technologies (Middle East Business)	01 Feb 2025	Established a strong operational and client footprint across key Middle East markets

Strategic Acquisitions and Integration Progress FY 2025-26

FY 2025-26 was a year of consolidation and value realization following the strategic acquisitions completed in the previous fiscal. PureSoftware, GAVS and Aureus Tech Systems, acquired in FY 2024-25, were fully integrated during the year and now operate within the Company's unified operating and governance framework.

The integration program focused on harmonizing systems, policies, governance structures, operating processes and organizational culture while maintaining delivery excellence and customer continuity. The Company's transition to an Industry Group-led operating model, supported by strong cross-functional collaboration, enabled effective integration without diluting agility or entrepreneurial mindset.

As of the end of FY 2025-26, integration activities across these acquisitions were complete, with teams fully embedded within the Happiest Minds ecosystem. Successful integration, operational synergies and improved go-to-market execution continue to support sustained financial performance and long-term value creation.

PureSoftware Technologies Capability Expansion and Product Momentum

PureSoftware Technologies is now fully integrated and continues to strengthen the Company's capabilities across the BFSI and Healthcare and Life Sciences verticals. The acquisition added a robust talent base of over 1,200 professionals and expanded the global delivery footprint across Mexico, Singapore, Malaysia and Africa, enhancing scalability, resilience and cross-selling opportunities.

A key strategic outcome is Arttha, PureSoftware's flagship BFSI product platform. During FY 2025-26, the Company advanced initiatives to enhance Arttha and progress its evolution toward a SaaS-based delivery model. This transition is expected to support wider market adoption, improve deployment flexibility and create recurring revenue streams, reinforcing the Company's long-term product and platform strategy.

Aureus Tech Systems

Embedded Cloud and AI Capabilities

Aureus Tech Systems has been fully assimilated into the Company's operating framework and now forms an integral part of its Cloud and AI-led digital transformation offerings. Its team of approximately 150 professionals brings deep expertise in Azure-native Cloud solutions, AI-driven services and application modernization, supported by strong domain experience in the Insurance and Healthcare sectors.

Aureus' capabilities are closely aligned with the Company's industry-focused growth model and go-to-market strategy. This strengthens Happiest Minds' ability to deliver end-to-end digital transformation programs to enterprise clients.

GAVS Technologies

Regional Platform for Growth

Following the acquisition of GAVS Technologies' Middle East business in the latter part of previous financial year, FY 2024-25 focused on stabilization, operational alignment and integration.

The acquired entities include:

- InnovazIT Technologies LLC (Dubai)
- GAVS Technologies LLC (Oman)
- GAVS Technologies Saudi Arabia for Telecommunications and Information Technology (Saudi Arabia)

These businesses specialize in application development, maintenance and infrastructure services, primarily serving large enterprise clients in the BFSI sector.

During FY 2025-26, integration of the Middle East operations progressed smoothly, enabling closer alignment across delivery models, governance and go-to-market efforts. The acquisition strengthened the Company's regional presence and created a solid platform for growth through access to an established customer base, skilled talent and ongoing engagements across key Middle Eastern markets.

KEY PERFORMANCE INDICATORS

Growth, Backed by Results

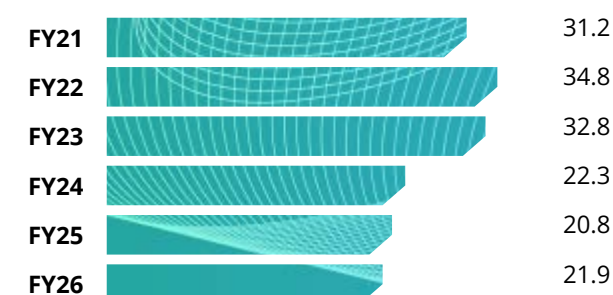
Total Income (₹ lakhs)



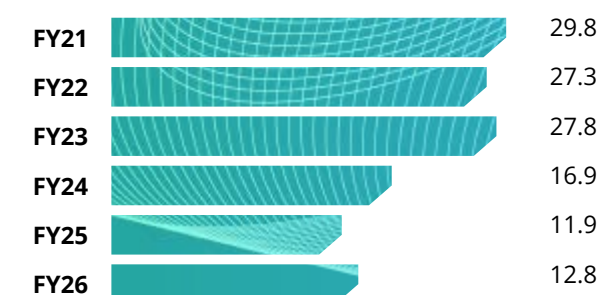
EBITDA (₹ lakhs)



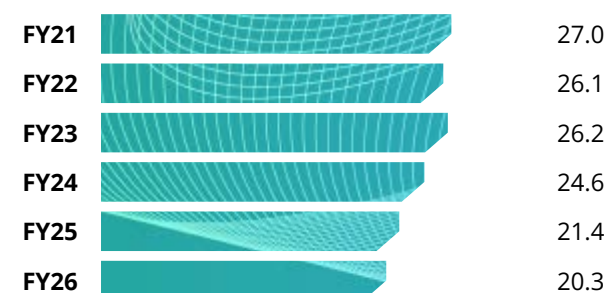
RETURN ON CAPITAL EMPLOYED (%)



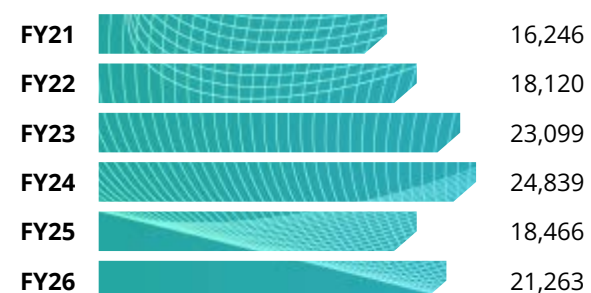
RETURN ON EQUITY (%)



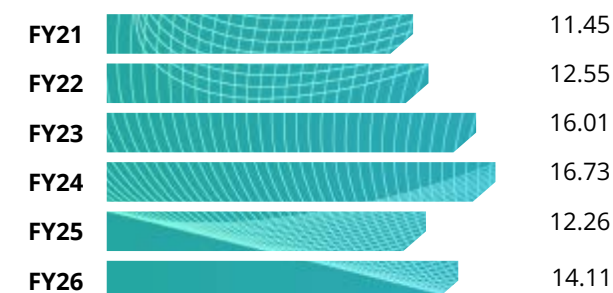
EBITDA MARGIN (%)



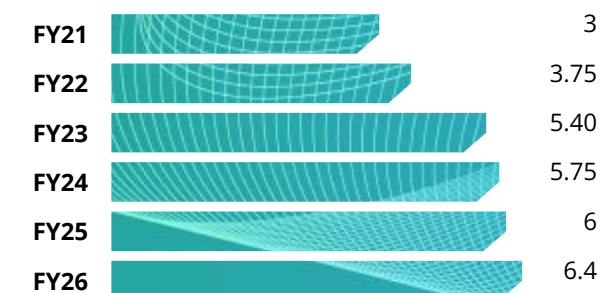
PAT (₹ lakhs)



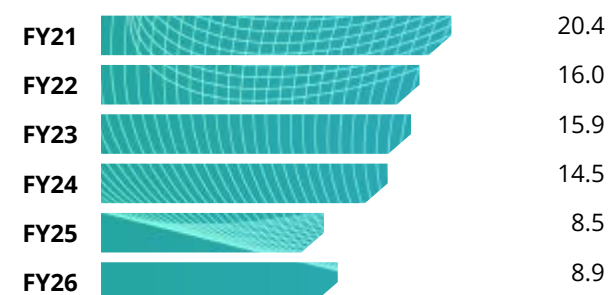
DILUTED EARNINGS PER SHARE (₹)



DIVIDEND PER SHARE (₹)



PAT MARGIN (%)



NET WORTH (₹ lakhs)



VALUE CREATION MODEL

Creating Value with Intelligence and Agility

INPUT



Financial Capital

- Net Worth: ₹ 1,68,949 lakhs
- Cash and Cash Equivalents ₹ 91,271 lakhs



Manufactured Capital

- Plant, Property and Equipment: 13,476 lakhs
- 4 Centers of Excellence (CoEs): IoT, Analytics/Artificial Intelligence, Digital Process Automation and Cyber Security
- 47 offices/presence in 16 countries



Intellectual Capital

- R&D expenditure: ₹ 2,571 lakhs
- IPs/Solution Accelerators: 18
- IP/Solutions product: 15
- Leading Banking, Insurance and University Products



Human Capital

- Happiest Minds: 6,497
- Employee Benefits Expense: ₹ 1,56,095 lakhs
- Attrition rate: 18.71%
- Total Learning Hours: 1,80,328
- Business Enabling Program: 1,67,028



Social and Relationship Capital

As part of our ESG framework, 100% of the budget allocated to our social pillars has been fully utilized through member-driven actions, including volunteering, immersion visits, and community participation campaigns:

- Meals provided: 24,39,024 through Akshaya Patra initiatives
- Contribution from Happiest Minds Run: ₹ 10 lakhs to Idhayangal Charitable Trust for children with Type 1 Diabetes
- Donation through Idhayangal Trust: ₹ 36 lakhs to support those diagnosed with Type 1 diabetes for a year
- Interactions with Analysts, Investors, and Shareholders: 241



Natural Capital

- Vision to be Carbon Neutral by 2030
- Energy-saving & optimization initiatives
- Promoting responsible use of water in-house and through community initiatives
- Optimizing business travel
- Waste reduction through reusing and recycling
- Water consumption: 20,532.96 KL
- Energy consumption: 38,00,913 kWh

- Sales Intelligence Tool
- Partner connect, deal database and customer referrals for lead generation, nurturing and proactively sending proposals
- Skills, competencies, and capabilities of Happiest Minds

Opportunity Tracking



- Deal qualification and clarity on value proposition
- Stakeholder mapping, interlocks with other enterprise applications and collaboration on CRM
- Management review of pipeline
- Controlled access to proposal repository
- Customer testimonials
- Deal-based marketing and innovative pricing technique
- Win/Loss analysis

Capitalizing on Projects



Client Retention

- Evaluation and assessment of project execution and delivery
- Identification of improvement areas
- Customer feedback: satisfaction, advocacy, loyalty and value for money



Delivering Excellence

- Matching people skills, entering collaborations and use of accelerators/new solutions/tools to meet customer requirements
- Continuous project monitoring, and defect tracking supported by LEAN and quality control processes



OUTCOMES

Financial Capital

- Operating Revenue: ₹ 2,31,511 lakhs (↑12.3%)
- Total Income: ₹ 2,40,008 lakhs (↑11.0%)
- EBITDA: ₹ 48,835 lakhs (↑5.6%)
- PAT: ₹ 21,263 lakhs (↑15.1%)
- RoCE & RoE: 21.9% and 12.8% respectively
- Earnings per share (Diluted): ₹ 14.11
- Dividend per share: ₹ 6.4

Manufactured Capital

- Best-in-class ecosystem benefiting Happiest Minds and customers
- Higher efficiency with reduced cycle time and faster turnaround

Intellectual Capital

- Won multiple recognitions (Read page 50-51)
- Active research in the Quantum Cryptography space
- Rel(AI)Build, Agent-based software delivery platform enabling engineers with autonomous agents

Human Capital

- Women Happiest Minds Representation: 27%
- Diverse workforce including 10 nationalities
- Top Employers India - Happiest Minds recognized among India's Best Workplaces for IT
- Avatar & Seramount Best Companies for Women in India in IT and Exemplar of Inclusion in the Most Inclusive Companies Index
- Excellence in People Analytics at the SHRM HR Excellence Awards 2025
- Gold and Bronze at the Brandon Hall Group HCM Excellence Awards 2025
- PoSH Awareness Month celebrated, PoSH policy updated, internal committee revamped; Leadership training, IC meetings successfully completed

Social and Relationship Capital

- Top Employer's Institute: 92
- Customer Happiness Survey: 68
- Active Customers: 300+
- Million Dollar Customers: 52
- Repeat Revenues: 92.6%
- Community Giving: Daan Utsav Raised ₹ 15.10 lakhs, fulfilling 3,300+ wishes across 5 NGOs
- Sustainability awareness among children developed through Utkarsh Global Foundation: 10,000 cloth bags and reusable bottles distributed
- Through Live Love Laugh: In the Mental Health space 1500+ lives impacted

Natural Capital

- Saplings planted: 2,26,000
- CO₂ emission curbed: ~4,500-5,600 metric tonnes per annum
- Electricity generated by Renewable Energy (Solar): 4,88,941 kWh, a 12.15% increase in solar energy utilization
- Water recycled through Sewage Treatment Plant (STP): 100%
- Installed sensor-based water fixtures, rainwater harvesting/percolation wells
- Constructed 895 wells under the One Billion Drops (OBD) program in last 3 years
- Facilitating rainwater conservation: ~358 million liters annually
- We encourage people to travel by train for a distance < 550 Kms
- Business Travels are mostly through economy class

Awards & Accolades FY 2025-26



Top Employers Certificate
India Happiest Minds
Technologies 2025



PureSoftware, a Happiest Minds
Company, Secures Two Honors at
IBSi Digital Banking Awards 2025
for Arttha's Excellence in Digital
Lending and Wallet Innovation



Recognized for Excellence in
People Analytics at the SHRM
Excellence Awards 2025



Won the CNBC-TV18 India
Risk Management
Award 2025



PureSoftware wins 'Best
Banking-as-a-Service Platform
of the Year' Award at the 14th
Africa Bank 4.0 Summit



Recognized by Avtar and
Seramount Among 2025 Best
Companies for Women in IT
and as Exemplar in the Most
Inclusive Companies Index



Happiest Minds' Integrated
Annual Report 2025 wins
double Gold, ranks #56 globally
at LACP Spotlight Awards



Wins Triple Recognition at Brandon Hall Awards 2025
for Learning & Development Excellence

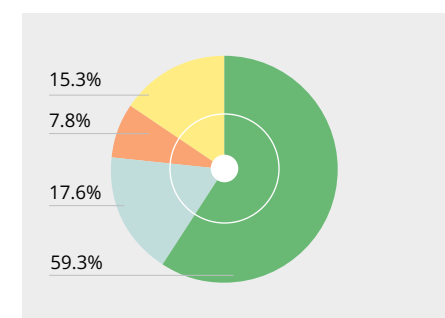
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BUSINESS MODEL

Agile by Operations

Our business model is built on resilience, adaptability, deep technology expertise, and a customer-centric approach. We have scaled our delivery model to provide growth-focused solutions for our clients, supported by diversified verticals, a global customer base, stable revenue streams, and a strong India-led delivery advantage. Our access to a vast talent pool, and high offshoring mix further strengthens efficiency, scalability, and industry-leading margins.

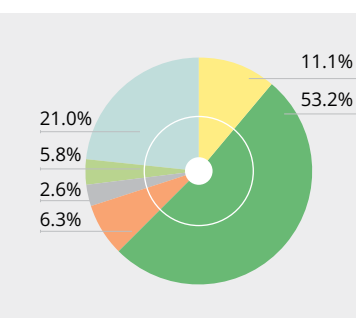
Revenue by Geography



● USA ● India
● Europe ● ROW

We serve global markets with the USA as our largest revenue contributor, followed by India and Europe, strengthening business continuity and growth.

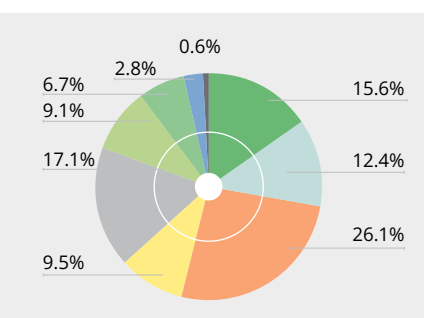
Digital Revenue



● Digital Infra / Cloud ● SAAS
● Security solutions ● Analytics / AI
● IoT ● Others

Enhance revenue visibility and reduce concentration risk through a robust technology stack, continuous skill development, and strong digital delivery capabilities.

Revenue by Vertical



● EdTech ● HiTech ● BFSI ● TME*
● Healthcare ● Retail / CPG
● Industrial ● MFG ● Others

We serve diverse industry verticals through deep domain expertise, broad client relevance, and scalable growth opportunities.

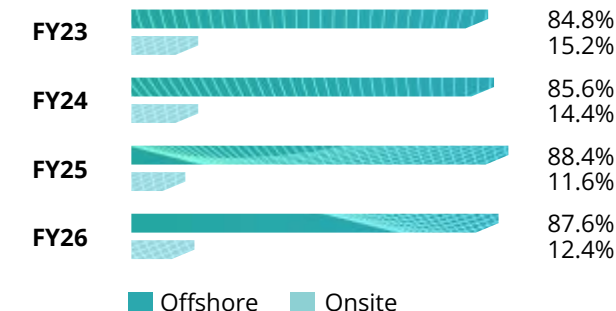
*TME: Travel, Media and Entertainment

Customer Revenue Concentration (%)



We serve 300+ clients, including 51 new additions in FY 2025-26, reducing dependency risk and expanding future growth potential.

Project Mix

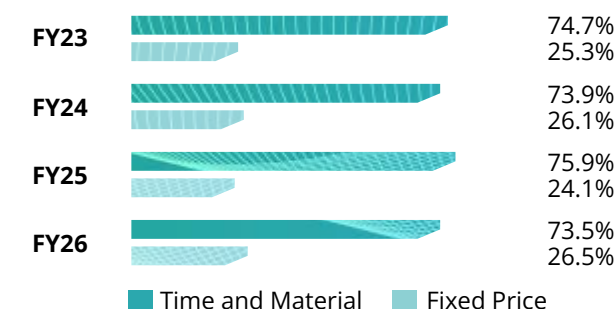


Leverage a high offshoring mix and India's skilled talent pool improved our cost efficiency and strengthen our value proposition.

Million \$ Corporations



Revenue by Contracting Model



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OPERATING CONTEXT

Navigating an AI-First Operating Landscape

FY 2025-26 was shaped by rapid AI adoption, evolving client expectations, cost discipline, data responsibility, and global uncertainty. Enterprises sought partners that could combine technology in depth with speed, scalability, and measurable outcomes. Our AI-first mindset and agile execution model helped us respond to these shifts, strengthen client relevance, and create long-term value across industries and geographies.

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AI-led Transformation Across Industries

AI continued to define enterprise transformation in FY 2025-26, moving from experimentation to scaled adoption. Organizations used AI to automate workflows, improve customer experience, and enable faster, data-driven decisions. The rise of agentic AI further accelerated this shift by supporting more autonomous and intelligent systems.

Company's Take:

- Embedded AI across multiple client engagements and business processes
- Developed reusable AI accelerators and frameworks to scale adoption
- Positioned AI as a core element in strategic deals and client conversations

Shift from Projects to Platforms and Long-term Value

Clients continued to move from one-time project engagements toward platform-led, long-term partnerships. The focus shifted to continuous value creation, scalability, and integration across systems instead of isolated implementations.

Company's Take:

- Strengthened strategic relationships with key customers
- Invested in reusable platforms and solution accelerators
- Focused on outcome-driven delivery models

Data Governance, Privacy, and Responsible AI

As AI and digital platform adoption increased, enterprises placed greater emphasis on data governance, privacy, and regulatory compliance. Secure, transparent, and responsible use of data and AI became critical across industries.

Company's Take:

- Embedded data governance and privacy considerations into solutions by design
- Enabled secure and compliant AI adoption for clients
- Strengthened internal practices around data security and responsible AI usage

AI in Software Development (AI-powered SDLC)

AI-driven tools significantly reshaped the software development lifecycle in FY 2025-26. From code generation to testing and maintenance, these tools improved developer productivity, shortened time to market, and supported cost efficiency. Enterprises increasingly expected partners to bring AI-enabled delivery models to every stage of execution.

Company's Take:

- Established an AI Productivity CoE to track developments and accelerate adoption in this space
- Enabled delivery teams to adopt AI tools across the software development lifecycle
- Standardized practices through internal frameworks and CoEs
- Delivered measurable improvements in productivity and time to market

Increased Focus on Efficiency and Cost Optimization

Enterprises operated in a cost-conscious environment during FY 2025-26, with greater pressure to optimize spending while sustaining growth. This increased demand for automation, productivity improvements, and solutions that deliver clear and measurable returns.

Company's Take:

- Led with automation and AI-driven productivity solutions
- Focused on clear business outcomes and value realization
- Improved internal delivery efficiency and governance

Geopolitical Uncertainty and Macroeconomic Environment

FY 2025-26 saw continued geopolitical tensions and macroeconomic uncertainty across regions. This affected enterprise spending patterns, elongated decision cycles, and increased focus on risk management, supply chain resilience, and vendor consolidation.

Company's Take:

- Strengthened relationships with key strategic customers
- Aligned offerings to cost optimization and business resilience priorities
- Maintained a diversified portfolio across industries and geographies

STRATEGY OVERVIEW

Approach to AI-First Future

AI-First Growth and Customer Success

Happiest Minds' strategy is anchored in an AI-first operating model, with Artificial Intelligence and Generative AI embedded across client offerings, delivery frameworks, platforms, and internal processes. AI is a default design principle, shaping how the Company designs solutions, executes delivery, and scales business outcomes. The strategy supports sustainable growth through AI-led innovation, strong ESG practices, customer success focus, and value-based digital and engineering expertise. It enables the Company to enhance productivity, accelerate time-to-value, deepen strategic customer engagement, and drive long-term, profitable growth.

Key Focus Areas

- Embedding AI and Generative AI across client offerings, delivery frameworks, platforms, and internal processes
- Pursuing growth through AI-led innovation, strong ESG practices, customer success focus, and value-based digital and engineering expertise
- Deepening strategic customer engagement through an AI-first, customer-centric strategy
- Enhancing productivity through AI-led innovation and delivery capabilities
- Accelerating time-to-value and time-to-market for businesses
- Enabling scalable, outcome-driven transformation and measurable business outcomes
- Supporting sustained long-term value creation for all stakeholders

Capitals Impacted



Material Issues Linked

- Customer Engagement and Satisfaction
- Innovation

Land and Expand

Our Land and Expand strategy remain a key execution lever and is increasingly powered by AI-driven insights and analytics. We build long-term customer relationships through focused customer segmentation, early engagement, and continuous value creation, leveraging AI to proactively drive account growth, supported by our technology, engineering, and platform strengths. This approach enables consistent account expansion, improves customer lifetime value, and drives reference-led, organic growth.

Key performance indicator

~42%

Revenue is derived from clients with a tenure exceeding five years

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M&A Strategy

Happiest Minds' M&A program focuses on acquiring capabilities that strengthen its AI-led digital engineering offerings, deepen domain expertise, enhance platforms, and expand market presence. Prior acquisitions, including PureSoftware, Aureus, and GAVS Technologies' Middle East business, have expanded the Company's BFSI and Healthcare offerings, strengthened platform depth, and enabled new cross-selling opportunities across clients and geographies.

Aligned with its FY 2030-31 vision, Happiest Minds will continue to pursue strategic M&A to accelerate capability building, deepen industry relevance, and support sustainable, profitable growth.

Key Focus Areas

- Accelerate inorganic growth to strengthen technology leadership and market positioning
- Strengthen delivery channels and leverage AI-enabled resource optimization
- Evolve toward a consulting-led, outcome-oriented engagement model
- Target companies with complementary skills, platforms, and IPs
- Achieve economies of scale and faster value realization

Capitals Impacted



Material Issues Linked

- Economic Performance
- Corporate Governance and Ethics
- Business Capability and Resilience
- Innovation

Expanding Domain and Technology Expertise

Happiest Minds continues to expand its capabilities across six industry groups: BFSI, EdTech, Healthcare, Hi Tech & Media, Manufacturing & Energy, and Retail & Logistics. This industry-led alignment has increased focus and knowledge within the organization and enhanced its ability to undertake larger and more complex transformation programs. It has also reinforced the Company's competitive advantage in Generative AI, Artificial Intelligence, Data Management, Product Engineering, Infrastructure, and Security services, supporting its AI-first strategy.

Key Focus Areas

- Sales effectiveness: Strengthening sales effectiveness through domain-led and AI-enabled solutioning and delivery
- Value-based delivery: Expanding value-based delivery by adding consulting, strategy, and transformation offerings
- Advisory-led organization: Positioning Happiest Minds as an advisory-led organization with strong product engineering and platform capabilities
- Emerging technologies: Scaling emerging technologies to enhance customer engagement and outcomes.
- Portfolio diversification: Expanding into new verticals to support portfolio diversification

Capitals Impacted



Material Issues Linked

- Economic Performance
- Corporate Governance and Ethics
- Business Capability and Resilience
- Innovation

Geographical Expansion

Happiest Minds' global delivery footprint spans the US, UK, Canada, Mexico, Europe, the Middle East, Singapore, Australia, Africa, and India. This footprint is supported by a balanced onshore, nearshore, and offshore delivery model.

Key Focus Areas

- Expanding presence in Tier II cities in India further strengthens access to skilled, cost-effective talent, while enhancing scalability and operational resilience

Capitals Impacted



Material Issues Linked

- Economic Performance
- Corporate Governance and Ethics

Accelerating Growth with IPs

Intellectual Property remains central to Happiest Minds' differentiation and scale strategy. The Company focuses on building AI-enabled, niche IPs and accelerators that deliver measurable improvements in cost, effort, and time-to-value for customers. Its robust engineering processes, supported by Generative AI tools and modern software lifecycle practices, enable consistent, rapid, and high-quality delivery. Happiest Minds is also focused on building AI-enabled platforms, domain-specific accelerators, and reusable engineering assets that drive scalable, outcome-based delivery.

Key Focus Areas

- Building AI-enabled, niche IPs and accelerators, platforms, reusable engineering assets
- Delivering measurable improvements in cost, effort, and time-to-value
- Strengthening delivery through robust engineering processes, Generative AI tools, and modern software lifecycle practices
- Driving scalable, outcome-based delivery
- Rel(AI)Build, Watch360, SecAIGenie, and AI-native healthcare products

Capitals Impacted



Material Issues Linked

- Economic Performance
- Innovation

Private Equity (PE) Engagement

Happiest Minds has long-standing relationships with Private Equity firms and their portfolio companies, supporting value creation across the investment lifecycle. The Company's offerings include technical due diligence, post-acquisition integration, workforce optimization, digital roadmap development, cloud migration, application modernization, security assessment and remediation, and long-term revenue and cost optimization.

Key Focus Areas

- Strategic engagement with PE firms through dedicated leadership and structured go-to-market
- Upstream advisory services including technical due diligence and post-acquisition digital roadmap development
- Portfolio company transformation encompassing security remediation, tech debt modernization, cloud migration, and GenAI-led cost optimization
- Scaling PE-backed revenue contribution through deeper account mining and land-and-expand execution
- Development of proprietary tools and frameworks to accelerate PE engagement and value delivery

Capitals Impacted



Material Issues Linked

- Economic Performance
- Disclosure & Performance

Scaling Key Accounts

Happiest Minds' Land and Expand Strategy is focused on deepening relationships with strategic customers by expanding the scope, scale, and relevance of its engagements. The Company continues to strengthen account-level ownership, align solutions with evolving customer priorities, and build long-term partnerships through dedicated customer partners, customized solutions, and focused engagement models.

Key Focus Areas

- Scaling multiple US\$2-3 million accounts into US\$5 million and US\$10 million relationships
- Growing select strategic accounts into US\$20 million-plus engagements
- Supporting key accounts through dedicated customer partners
- Building customized solutions for strategic customers
- Strengthening focused account-level engagement model

Capitals Impacted



Material Issues Linked

- Business Capability and Resilience

GCC Focus

The increasing number of Global Capability Centers represents a significant growth opportunity for Happiest Minds. The Company focuses on operational excellence, technology modernization, and innovation-led transformation, leveraging GenAI and automation to drive efficiency and value.

Key Focus Areas

- Providing end-to-end support across strategy, talent, legal, and scale-up requirements to the new GCCs
- Focusing on operational excellence, technology modernization, and innovation-led transformation for the mature GCCs
- GenAI and automation: Leveraging GenAI and automation to drive efficiency and value

Capitals Impacted



Material Issues Linked

- Business Capability and Resilience



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STAKEHOLDER ENGAGEMENT

Listening to The Stakeholders for Agile Decision-Making

Stakeholder engagement remains central to Happiest Minds' ability to build trust, strengthen decision-making, and create long-term value. Regular and meaningful interaction with stakeholders helps the Company understand diverse expectations, respond to emerging priorities, and align its business strategy with environmental, economic, and social considerations. This approach enables Happiest Minds to navigate business complexity while supporting mutual growth and sustainable success.

Approach to Stakeholder Engagement

Happiest Minds follows a strategic and holistic approach to stakeholder engagement. The Company identifies, consults, prioritizes, collaborates with, and obtains feedback from key stakeholder groups that influence its sustainability and development. Alignment with the leadership team ensures that stakeholder engagement remains focused on areas that matter most to the Company's long-term priorities. Through open and transparent communication, Happiest Minds understands stakeholder expectations and concerns, prioritizes action, and builds a collaborative culture that creates value.



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Customers

Channels of Engagement

We maintain a multi-layered engagement strategy designed to foster transparency, innovation, and long-term partnership. Our touchpoints range from operational excellence to strategic foresight:

- **Strategic & Executive Dialogue:** High-level engagement through Executive Briefing Centers (EBCs), strategic partnership summits, and periodic relationship reviews
- **Operational Connectivity:** Agile project management reviews, rigorous RFI/RFP responses, and dedicated customer site visits
- **Digital & Knowledge Ecosystem:** Targeted thought leadership via newsletters, brochures, and our corporate website. We maintain an active presence across professional and social platforms including LinkedIn, X, and YouTube to provide real-time updates on our capabilities
- **Purpose-Led Interaction:** Sponsored industry and community events with a curated focus on AI-First Transformations, Ethical AI Frameworks, and Advanced Cybersecurity

HIPO Governance Program

The High-Potential (HIPO) Account Governance Program remains a cornerstone of our growth strategy. By deploying bespoke development roadmaps for high-growth accounts, we have institutionalized a disciplined approach to account management, ensuring consistent alignment with our long-term scaling objectives.

Key Concerns	Company's Response	Strategies Mapped
▪ Drive new customer acquisition and accelerate new business revenue growth ▪ Execute focused account planning for strategic accounts ▪ Adapt proactively to evolving AI landscapes within customer organizations	▪ Drives disciplined account management through the HIPO Account Governance Program, focused on high-growth accounts ▪ Enables long-term scaling by aligning account strategies with the Company's overall growth objectives ▪ Embedding AI strategy across offerings with focus on proprietary AI SDLC agents and industry-aligned solutions	▪ AI-First Growth and Customer Success ▪ M&A Strategy ▪ Expanding Domain and Technology Expertise ▪ Scaling Key Accounts ▪ GCC Focus
Material Topics Linked	Risks Associated	Capitals Impacted
Customer Engagement and Satisfaction	 Business Risks  Operational Risks	 Social and Relationship



Shareholders & Investors

Key Concerns

- Maintenance of high corporate governance norms
- Disclosure and transparency of information
- Evolution of leadership in environmental, social, and governance norms
- Regular communication and responding to questions: how Happiest Minds is addressing them
- Attained industry-leading performance with improved margins
- Formulated long-term growth strategy
- Formulated ESG policy for business resilience
- Involve shareholders in key decisions

Company's Response

- The Company continues to uphold robust governance practices aligned with regulatory requirements, ensuring ethical conduct, accountability, and effective oversight by the Board and its Committees
- The Company ensures accurate, timely, and comprehensive disclosures to stakeholders through regular filings, investor communications, and adherence to SEBI and Companies Act requirements
- The Company has implemented a structured ESG framework and policies to enhance sustainability performance, reduce environmental impact, and align operations with the ESG benchmarks
- Regular communication is maintained with shareholders and stakeholders through investor meetings, earnings calls, and transparent communication channels to address concerns effectively
- The Company achieved strong operational performance with improved margins driven by cost optimization, operational efficiency, and strategic initiatives
- A well-defined long-term growth strategy has been articulated focusing on innovation, digital capabilities, and expansion into high-growth areas
- The Company has formulated and implemented a comprehensive ESG Policy to strengthen long-term business resilience and sustainable value creation. The policy integrates ESG considerations into strategy, operations and decision-making processes
- The Company actively facilitates shareholder participation through voting mechanisms and transparent processes in key corporate decisions

Strategies Mapped

- Strengthen corporate governance and Board oversight
- Integrate ESG into strategy and operations
- Focus on innovation and long-term growth initiatives
- Implement and monitor ESG policy
- Maintain regular investor and stakeholder engagement
- Enable active shareholder participation

Material Topics Linked

- Disclosure & Performance

Risks Associated



Operational Risks

Capitals Impacted



Financial



Social and Relationship



People

Key Concerns

- Building clear career paths, learning opportunities, mobility, and a strong talent pipeline aligned with evolving industry and technology needs
- Sustaining member happiness, well-being, emotional resilience, wellness support, and productivity balance from day one
- Managing organizational evolution, large-scale acquisitions, integrations, and change
- communication with clarity and timely leadership alignment
- Embedding inclusion, empathy, psychological safety, and strong manager capability across diverse teams
- Strengthening transparent rewards, recognition, and performance systems to build trust and fairness
- Creating regular leadership connections, open forums, and authentic engagement channels
- Enabling members to contribute through innovation councils, CSR, pro bono work, and community-led initiatives
- Using people analytics, surveys, and member feedback to guide people practices and engagement priorities
- Expanding global visibility and cross-functional collaboration to build future-fit talent and strengthen the Company's purpose-led, human-centered technology brand

Company's Response

- Develops a future-ready talent pipeline through continuous learning, structured upskilling, and alignment with emerging industry and technology trends
- Enables personalized skilling, integrated skill taxonomies, and internal career matching through its Talent Management System
- Supports holistic well-being through HappiZest, based on the 7Ws of Wellness: Physical, Spiritual, Intellectual, Professional, Social, Emotional, and Environmental
- Advances DEI across gender, generation, culture, and ethnicity while embedding fairness into workplace practices
- Strengthens communication through MS Teams, Yammer, emails, digital posters, floor walks, and discussion forums for a hybrid workforce
- Supports M&A integration through dedicated in-house teams, extensive onboarding, and culture integration initiatives
- Reduces change fatigue through change charters, leader-led skip-level discussions, streamlined collaboration tools, and disciplined meeting practices
- Provides transparent rewards and growth through online R&R systems, open promotion structures, and leader-led pipeline visibility
- Builds manager capability through formal programs and DEI sensitization initiatives focused on empathy, fairness, and inclusion
- Maintains two-way dialogue through Leaders Connect forums, the Happometer pulse survey, and real-time feedback loops
- Encourages engagement beyond KRAs through CSR volunteering, innovation councils, and internal culture squads
- Strengthens employer brand through Great Place to Work rankings, DEI awards, and strong Glassdoor ratings

Strategies Mapped

- Unlock the full potential of our people through seamless talent integration, internal mobility, and leadership development that aligns personal aspirations with organizational goals

Material Topics Linked

- Diversity, Equity, and Inclusion
- Employee Health, Safety and Wellbeing
- Human Rights
- Business Capability and Resilience
- Talent Attraction and Skill Retention

Risks Associated



Operational Risks

Capitals Impacted



Human



Vendors

Key Concerns	Company's Response	Strategies Mapped
- Streamlining and automating procurement processes for greater efficiency - Timely and transparent communication on procurement decisions and payments - Fair and ethical vendor selection and onboarding practices - Alignment of vendors with the company's ESG and sustainability standards - Vendor capability building and performance improvement - Data security and confidentiality in vendor engagements	- Ensured equitable and transparent onboarding and payment terms - Developing suppliers through training and skill enhancement	- End-to-end procurement automation from purchase requisition to invoice accounting ensuring speed, accuracy, and auditability - Defined vendor onboarding and due diligence framework to ensure quality, compliance, and ESG alignment - Capacity building initiatives to support vendors in meeting evolving quality and sustainability expectations - Clear payment terms and timely processing to build trust and financial predictability for vendors - Vendor code of conduct in place to ensure ethical, legal, and ESG-compliant practices across the supply chain
Material Topics Linked	Risks Associated	Capitals Impacted
Disclosure & Performance	Financial Risk Business Risks	Social and Relationship



Community

Key Concerns	Company's Response	Strategies Mapped
- Concerns around pollution, waste management, resource use, and biodiversity preservation - Expectations for meaningful community initiatives in food and nutrition, environmental sustainability, and healthcare - Interest in transparent decision-making, clear reporting, and open communication on community-related activities - Concerns around traffic congestion, safety, and potential health risks affecting community well-being	- Adopt practices that minimize environmental impact and preserve natural resources - Partners with organizations on food security, environmental sustainability, and healthcare initiatives - Encourages employee participation in volunteering and community engagement programs - Maintains open communication through regular updates, information sharing, and feedback mechanisms - Follows safety standards, regulatory requirements, and industry best practices to protect members and communities	- Embed ESG-led practices, strengthen community partnerships, promote volunteering, enhance transparency, and ensure safety and regulatory compliance (Capitals: Natural, Human, Social & Relationship) - SDGs:
Material Topics linked	Risks Associated	Capitals Impacted
Social Responsibility	Operational Risks	Social and Relationship



Alliance Partners

Key Concerns	Company's Response	Strategies Mapped
- Demonstrated competence & customer successes in our chosen solution areas - Services that lead to active pull through of partner licenses & subscription revenues - Enabling the alliance partner platforms for verticals – by addressing key gaps	- Partnerships in early adopter / private preview programs and active certification initiatives - Articulation of customer successes through case studies; periodic meetings and newsletters to the alliance partner executives, to increase awareness - Focusing on a few strategic partners and actively developing newer services that increase consumption of partner products and subscriptions - IP & solutions that address platform gaps and solve key vertical needs	- AI-First Growth and Customer Success - Expanding Domain and Technology Expertise
Material Topics Linked	Risks Associated	Capitals Impacted
Social Responsibility	Operational Risks Business Risks	Social and Relationship



Government and Regulatory Bodies

Key Concerns	Company's Response	Strategies Mapped
Contribute to national economic growth	- Inclusive reporting of financial and non-financial performance as per GRI standards - ESG action plan prepared	- Partner with NGOs and institutions for implementation - Monitor project outcomes regularly - Allocate and review CSR budgets periodically - Conduct due diligence of partners
Material Topics Linked	Risks Associated	Capitals Impacted
Social Responsibility	Operational Risks Financial Risk Legal and Regulatory Risk	Social and Relationship

MATERIALITY ASSESSMENT

Prioritizing the Impact Topics First

Materiality helps Happiest Minds focus on the ESG topics that have the greatest relevance to its business, operating context, and long-term value creation. As sustainability priorities continue to evolve, the Company uses materiality assessment as a structured lens to identify issues that can influence performance, resilience, reputation, and responsible growth. The process also enables Happiest Minds to understand the expectations of shareholders, members, customers, communities, regulators, and other stakeholders.

Materiality Assessment Process

The process is reviewed periodically to reflect changing business priorities, emerging risks, and evolving stakeholder expectations. This ensures sustainability remains integral to the Company's growth strategy.

- **Issue identification:** Happiest Minds reviews internal operations, industry trends, global reporting standards such as GRI, SASB, and BRSR, and stakeholder feedback to identify potential material topics
- **Stakeholder engagement:** The Company engages with members, investors, customers, regulatory bodies, and community partners to understand their sustainability expectations and concerns
- **Prioritization and evaluation:** Identified topics are assessed based on potential business impact and importance to stakeholders
- **Risk and opportunity classification:** Material issues are classified as risks or opportunities.
- **Strategy integration:** Assessment outcomes inform Happiest Minds' ESG strategy, risk management framework, and decision-making across the organization

List of Material Topics

Environmental

Material topics

- Climate Change, Emissions and Energy
- Resource Management
- Biodiversity
- Innovation

Capitals



UNSDG



Social

Material topics

- Customer Engagement and Satisfaction
- Talent Attraction and Skill Retention
- Social Responsibility
- Human Rights
- Employee Health, Safety and Wellbeing
- Diversity, Equity, and Inclusion
- Responsible Supply Chain

Capitals



UNSDG



Governance

Material topics

- Economic Performance
- Cybersecurity and Data Privacy
- Corporate Governance and Ethics
- Business Capability and Resilience
- Disclosure & Performance
- Systemic Risk Management

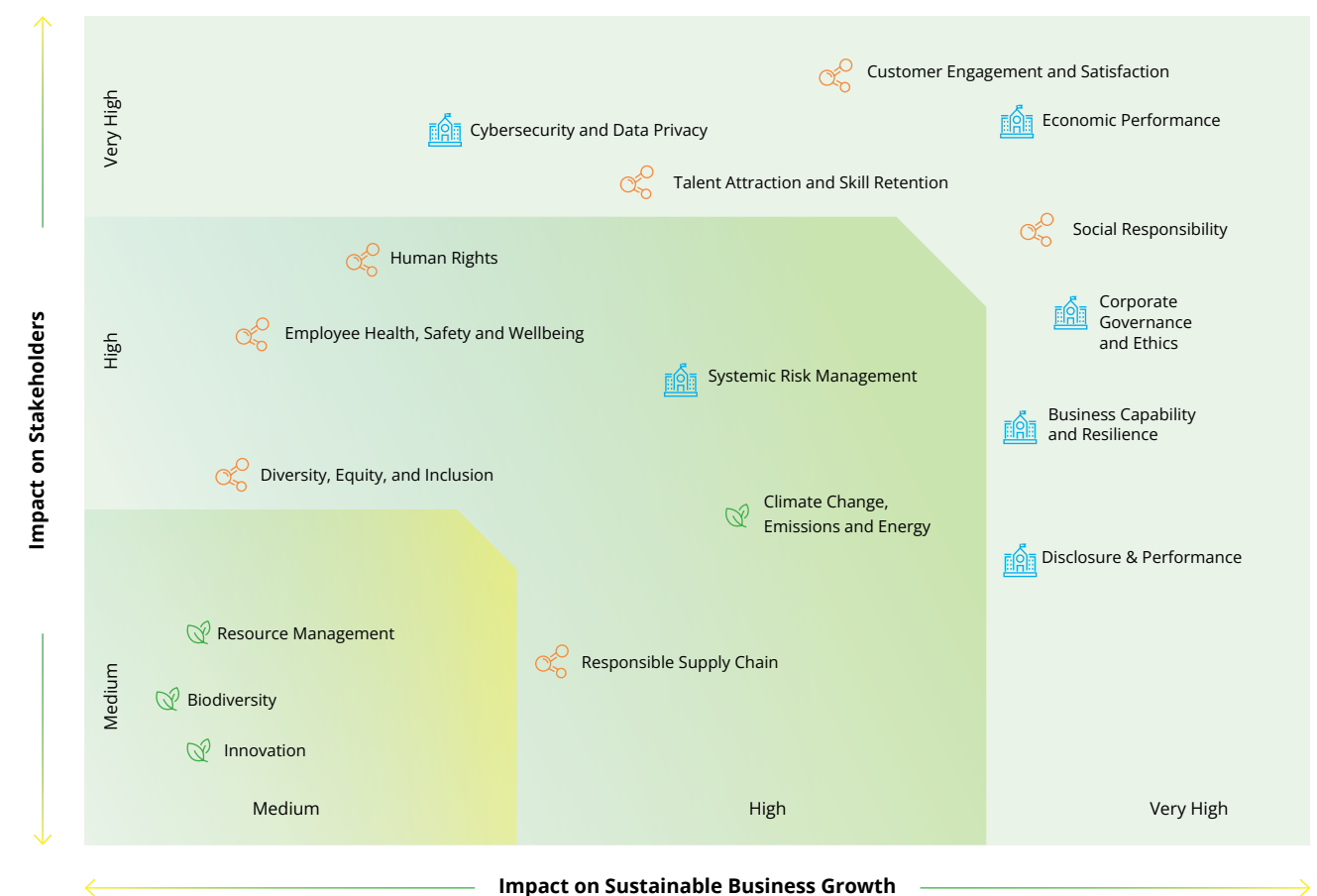
Capitals



UNSDG



Read more about the Company's materiality assessment process in the BRSR at pages 192-200



RISK & OPPORTUNITIES

Agile Preparedness for Sustained Growth

Risk management is central to the way we protect value, sustain performance and support informed decision-making. We take a proactive and integrated approach to identifying, assessing and addressing risks across the organization. This helps us respond to business uncertainties, including geopolitical volatility, supply chain disruptions, information security challenges and operational complexities, while remaining alert to emerging opportunities.

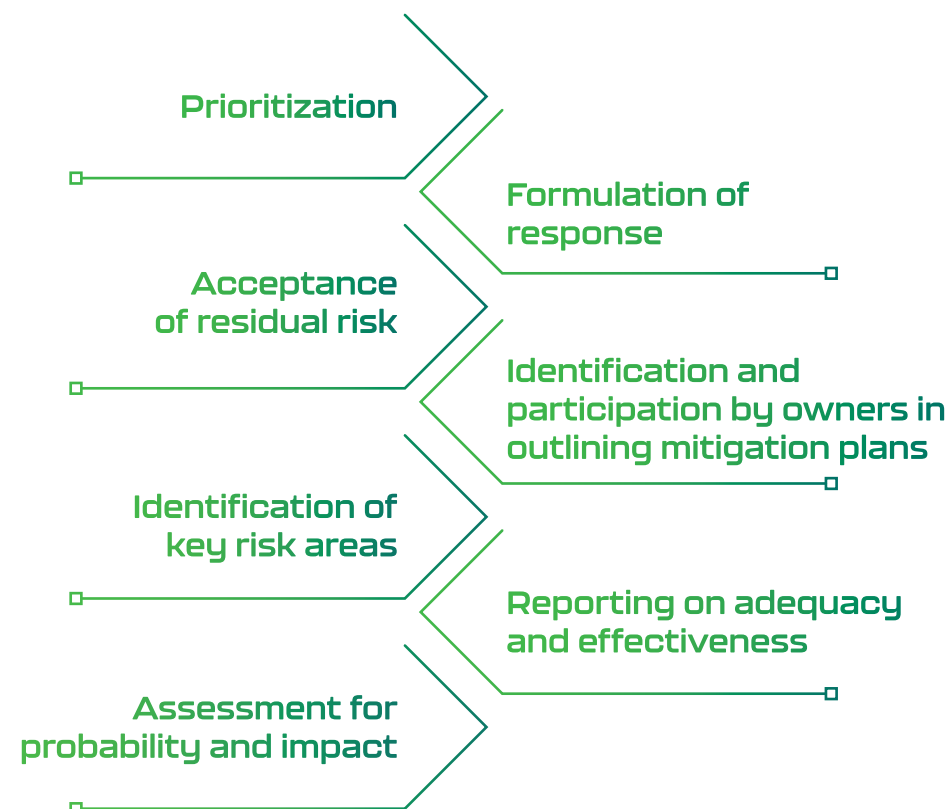
Enterprise Risk Management Framework

Our Enterprise Risk Management (ERM) framework is guided by defined processes, governance oversight and clear accountability. Developed under the supervision of the Executive Board, the framework covers risks across information security, operations, delivery and key support functions. Risk identification, assessment, response planning, mitigation tracking and management review form part of this structured approach.

Risk ownership rests with respective functions and project teams, which maintain risk registers aligned with their operating context. These registers are centrally reviewed and periodically monitored by compliance and governance teams responsible for specific risk areas. Our defined risk appetite further guides business decisions and helps us align risk-taking with our strategic priorities.

ERM governance is supported through close collaboration among the Chief Information Security Officer, Chief Information Officer, Engineering and Business Excellence team and the Executive Board. This structure strengthens oversight, improves risk visibility and enables timely action across the enterprise.

Risk Management at Happiest Minds



Key Risks and Mitigation Actions

Financial Risks

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Risks	Mitigating Actions
Revenue Concentration & Foreign Exchange Dependence on international revenues exposes the Company to adverse foreign currency movements, leading to potential volatility in revenues and margins.	- Managing foreign exchange risk through two key strategies: Natural Hedge – Offsetting foreign currency inflows and outflows to reduce net exposure Use of Derivatives – Engaging in plain vanilla forward exchange contracts with maturities up to one year, structured in a ladder format to cover forecasted inflows. These hedging strategies are governed and overseen by the Board's Risk Management Committee - Reporting key performance metrics, such as constant currency revenue growth, to provide a currency-neutral view of business performance
Customer Credit Delay or default in customer payments may impact cash flows, increase receivable days, and affect working capital efficiency.	- Maintaining short billing and collection cycles with strong collection practices, resulting in low debtor days (94 as of March 31, 2026) - Assessing regularly the creditworthiness of customers, set appropriate credit limits, and enforce contractual payment terms to ensure timely collections
Availability of Credit and Liquidity Management Inadequate liquidity may restrict the Company's ability to meet its financial obligations and support business operations.	- Monitoring liquidity positions and maintain diverse banking relationships under multiple banking arrangements proactively - Ensuring access to adequate funding through undrawn borrowing facilities and other credit lines to meet short-term and long-term liquidity requirements
Financial Performance Does Not Meet Expectations Variance between actual performance and planned guidance may impact investor confidence and market perception.	- Analytical approaches are used to arrive at the plan - Financial performance is monitored monthly against the plan - Guidance submitted by each team is used to monitor the performance against the plan and interventions taken

Business Risks

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Risks	Mitigating Actions
Brand Positioning and Market Differentiation With Industry focus towards AI, it is important that we brand ourselves accordingly.	- Repositioned the organization to AI-first organization to sharpen GTM narrative around AI-led transformation, engineering excellence, and industry depth - Investing towards thought leadership, client success stories, and analyst engagement - Focusing on marquee reference clients in each geography and industry - Strengthening employer brand to support talented growth strategy - Aligned our services to demonstrate AI-first strategy - Planning to report our AI and AI-led revenues, conveying our strong positioning

Business Risks



Risks	Mitigating Actions
Concentration of Revenues We are dependent on a few customers and a specific geography for most of our revenues. Our inability to attract new customers, retain existing ones, or any unfavorable macroeconomic scenario in our key target market may impact revenues.	- Accelerating diversification of revenue across Europe, Middle East, Africa, Australia, APAC, and India as majority of the revenues come from the U.S. - Maintaining close relationships and sustained engagements with customers - Strengthening account mining, cross-selling, and upselling across existing clients - Leveraging extensive portfolio of offerings, that keeps updated basis on demand and industry movement, to cross-sell and upsell to existing and new customers - IG alignment has helped us to grow businesses in other industries rather than being concentrated around EdTech, BFSI, Healthcare, and Life Sciences are showing a good uptick in business
Rapid AI / Generative AI Advancement Impacting Business Relevance Rapid development in AI/GenAI space especially in AI Productivity space may impact revenue and might have impact on customer happiness	- Embed AI-first strategy across all service offerings - A new COE AI Productivity COE is formed to take the advantage of AI Productivity improvement and mitigate risk - Develop proprietary AI SDLC Agents (accelerators, frameworks, and domain-specific Agents) - Create industry-aligned AI Agents and solutions (BFSI, EDTECH, Healthcare, Manufacturing etc.) - Position the firm as an AI transformation partner rather than a staff augmentation provider
New and Emerging Technology Disruption (Non-AI) Amidst the rapid evolution of IT industry, the inability to develop new technology capabilities may impact new business opportunities.	- Focusing on continuous scanning of technological trends and demand signals across customer markets involving Quantum Computing, Edge Computing, etc. - Dedicated R&D budget for innovation; research aligned to client use cases and preparing reusable IP assets - Training and hiring people with experience in these technological areas to make Happiest Minds future-ready, which gives us an edge with our customers to deliver value - Dedicated Centers of Excellence (CoEs) and collaborate towards Strategic alliances with hyperscalers and niche technology firms
Profitability and Business Model Sustainability An increase in wages and the inability to accurately compute contract pricing through various cost estimations may impact profitability. Commonization of the services may shrink margins.	- Scaling up the usage of Generative AI Tools and Agents during SDLC processes to lower our cost and deliver projects at faster pace - Significant portion of our business is executed through offshoring from India, leveraging the advantage of lower wage costs - Expansion into tier II cities, where labor costs are lower, further enhances our low-cost advantage. We now operate from 10 cities in India to attract and sustain local talent - Utilizing the expertise of our team along with a framework, technology tools for cost estimations, and contract pricing - Safeguarding ourselves from shrinking margins through shifting focus to value-based delivery, adding consulting, strategy, and transformation offerings - Positioning as an Advisory Company bringing in domain expertise with product engineering capabilities - Increasing our focus on managed services reducing the staffing risks

Business Risks



Risks	Mitigating Actions
Business Expansion and Scalability Risks The inability to secure new orders and enhance our workforce's bandwidth will result in stagnation. Additionally, we face the challenge of contractual clauses that may restrict our ability to offer services to different customers.	- Enhancing workforce by attracting and retaining talent to execute projects - Successfully enabled clients to achieve tangible outcomes with our solutions, leading to sustained repeat and new orders - Focusing on inorganic growth that helps us expand our business portfolio in new areas and our existing business - The acquisitions of PureSoftware and GAVS Middle East, we have expanded our workforce in India and different geographies - Strengthened integration frameworks for acquired entities to realize synergies faster
Changing the Customer's Operational Scenarios and Sourcing Strategies Customer operating models and sourcing strategies are being reshaped by emerging global challenges, changing business models, GCC adoption, pricing pressures, and reorganization initiatives.	- Regular rotation, including the usage of campus trainees along with upskilling and cross-skilling, is planned to reduce any impact of pricing pressures - GCC work group is set up to help the customers and to form an action plan for customers and prospects looking for GCC. This group helps to develop GCC advisory and build operate transfer (BOT) offerings - Engaging regularly on the executive level and QBRs to align with evolving client strategies - Focusing on AI-based platforms like Ellipse and ELAIRA helps customers achieve productivity and efficiency improvements
Macroeconomic Slowdown in Key Customer Markets Due to various recent developments there are macroeconomic slowdown seen in various customer markets.	- Strengthened pipeline visibility making system changes to capture and review right pipeline and for scenario-based demand planning - Expanded presence in relatively resilient sectors and geographies within approved markets - Focusing on cost optimization, automation, and efficiency-driven value propositions
Economics and Geopolitical Factors With the current geopolitical situation across the globe – trade war, political instability, and military operations may make companies cautious in spending, calling for budget cuts.	- Continuously working on expanding its client base in different geographical locations - Focusing on expanding our new shore and on-shore presence - Built flexible engagement and delivery models to quickly adapt to client constraints - Maintained strategic reserves of leadership attention for at-risk accounts and regions - Partnership model also helps us to decongest any specific business and geographical areas

Operational Risks



Risks	Mitigating Actions
Talent Availability We depend on our talent to deliver solutions to clients. The inability to attract and retain talent may impact business opportunities.	▪ Leveraging access to a large pool of talented engineers of India ▪ Robust talent management program enables hiring the right talent and enhance their skills ▪ Offer learning and development programs to ensure continuous upskilling and provide enhanced career opportunities ▪ Run several wellness programs, offer benefits, and provide industry-standard compensation to ensure higher retention
Talent risk — Scarcity, Cost, Obsolescence GenAI talent is 2–3x cost of traditional engineers and is being aggressively recruited; Upskilling our teams is the only sustainable option. Lag here means we can't staff deals we win — a fulfillment risk, where we would see revenue leakage	▪ Disclosed reskilling target with quarterly milestones (Proposed ~ 20% of engineers AI-Upskilled incrementally every quarter) ▪ Well-defined AI talent track (learning path) ▪ AI Center of Excellence as delivery anchor and support recruitment and Upskilling
Optimal Resource Utilization The inability to maintain high resource utilization and productivity will impact profitability.	▪ Consistently achieve high resource utilization by promptly transitioning our people from completed projects, accurately forecasting demand, and deploying the right resources to the right projects ▪ Utilization has increased over the past year through several targeted measures, including addressing low performers and reviewing the resource pool for skills and talent that are no longer required or for which demand has declined. ▪ Increased demand for IT products and services will further improve utilization as more business opportunities arise
Contractual Commitments and Project Delivery Challenges The inability to uphold contractual commitments may lead to the termination of agreements and affect future business opportunities.	▪ Ensured high-quality control and process execution standards, effective resource utilization, sustained client engagements, and high productivity levels to deliver projects ▪ Solid team of engineers and partnerships with leading global vendors enable us to deliver high-quality products and services as per terms and within the stipulated time frame ▪ Strengthened our DM and PM layer to improve delivery challenges ▪ Putting our DMs / PMs through training sessions to strengthen their capabilities around quality delivery management
Sustainability Risks Actions causing environmental damage, compromising human rights or labor rights, threatening occupational health and safety	▪ ESG vision has been documented as part of the organization's vision and tracked regularly ▪ Key metrics are tracked and monitored regularly. This is reported as part of the BRSR report
Investment Risks Failure to provide expected returns for defined objectives and risk, such as underperforming to the stated objectives and/or benchmarks. Integration of the acquired business.	▪ Investments are regularly monitored, and performance is reported ▪ Investment projects are tracked in Redmine and the Project Sponsor is informed about the spend each month and the ROI is tracked ▪ Integration task force is formed to work and report the progress of integration of acquired entities. Any dependencies are monitored and rectified ▪ Performance of the acquired entities is monitored against agreed goals on a quarterly basis

Legal and Regulatory Risks



Risks	Mitigating Actions
Compliance with Local Legislation Non-compliance with the local laws of the regions in which we operate may lead to litigation or license cancellation.	▪ Stringent policies and checks, along with an integrated compliance tool, which ensures good governance and compliance with local laws. This is supported by timely reminders and alerts ▪ Consult and seek guidance from professional experts in certain cases for the correct interpretation of local laws
Restriction on Immigration or Work Permits We depend on our Indian personnel to provide onsite support to clients. Any geopolitical tension or unfavorable changes in immigration laws may impact project delivery.	▪ The current immigration scenario is mostly conducive in the countries where we operate. We continuously monitor local immigration laws, including any regulatory changes or events due to geopolitical reasons, to plan our activities accordingly ▪ Monitoring the time and effort spent by our people onsite to avoid tax incidents
Data Privacy and Information Security Risks The inability to ensure customer data privacy and protect systems or clouds from cyberattacks may expose us to litigation risks.	▪ The Happiest Minds' security and privacy policies and procedures are based on the ISO 27001 security standard and ISO 27701 privacy standard. These standards comply with data privacy regulations such as the EU's General Data Protection Regulation (GDPR) for the data protection and privacy of EU residents, the California Consumer Privacy Act (CCPA) for the privacy rights of Californian residents, and the upcoming Digital Personal Data Protection Act, 2023 in India ▪ In addition to organization's compliance with ISO standards, we regularly assess our cybersecurity risks and have adopted multiple cybersecurity standards, including NIST, CIS, and Zero Trust architecture, to ensure prevention, detection, and response to any cybersecurity threats ▪ Adhering to stringent regulations for handling customer data; which all Happiest Minds are bound by a written confidentiality agreement. Furthermore, all members and partners are required to attend mandatory security and privacy awareness programs to ensure compliance ▪ Conducting periodic phishing exercises to ensure awareness is maintained consistently
IP Risks The inability to protect our intellectual properties (IPs) may lead to missed opportunities. Furthermore, we also face risks of non-compliance with third-party open-source software terms or IP infringement claims against our solutions, which may result in discontinuation of services to clients and fines.	▪ Utilizing licensed third-party commercial software, monitored by our in-house team, to mitigate issues of infringement, warranties, or other contractual protections. Open-source tools are used in certain cases with prior verification and approval by the IT/legal team ▪ Ensuring the development of novel solutions and protect our technical know-how by registering intellectual property and undertaking confidentiality obligations from all stakeholders involved in projects ▪ Take necessary insurance to mitigate any eventualities related to IP risks ▪ All Happiest Minds are made aware of IP protection and sign IP declarations upon joining
Insider Threats Risks posed by members, contractors, or anyone with authorized access who may intentionally or unintentionally compromise systems or data.	▪ Access controls are regularly reviewed and updated ▪ Zero Trust architecture is implemented to verify users and devices at every access point ▪ Monitoring tools and alerts are in place to detect abnormal activity
Third-Party Risks These involve risks associated with external vendors, service providers, and partners who have access to an organization's systems or data. Vulnerabilities in their systems or poor security practices can impact the organization. A data breach at a cloud service provider that exposes customer data is an example.	▪ Assess IT controls at third-party vendors and ensure that our critical vendors have a robust cybersecurity program, including ISO 27001 or SOC 2 certification and have controls that are required to prevent cybersecurity incidents that might affect us ▪ Maintain cyber liability insurance to cover financial losses arising from third-party vendor incidents
Availability of Critical SaaS / Cloud Applications D365, O365, Active Directory Redmine & MySmiles	▪ While the SaaS or cloud service provider ensures availability & IT infrastructure, Data Availability is our responsibility. All the critical applications and data sources are backed up to the cloud with a retention policy for 7 years and have been configured for versioning ▪ Active Directory is used for authentication and if compromised, we will lose access to all applications. Active Directory is configured in both Azure and local environments to ensure redundancy and reduce risk of total loss in case of compromise ▪ Authentication logs are monitored, and access is tightly controlled

Glimpses 2025-26



Launch of Happiest Minds AI-First strategy, marking the company's 11th strategic change and the next phase of its long-term growth journey



A proud moment for Happiest Minds as Joseph Anantharaju, Co-Chairman and CEO, is conferred with the Distinguished Alumnus Award 2026 by BITS Pilani in the Corporate Leadership category



Celebrated Unity and Excellence at the 6th Edition of the Happiest Minds Run with over 3,000+ participants across 8 locations



Wins Triple Recognition at Brandon Hall Awards 2025 for Learning & Development Excellence



Won the Best Use of AI in DevOps (IT Services) award at the 9th Edition India DevOps Show 2025



Recognized by Avtar and Seramount Among 2025 Best Companies for Women in IT and as an Exemplar in the Most Inclusive Companies Index



Happiest Minds' 8th edition of Annual Tech Fest Blitz spotlights Disruption, Innovation, and Acceleration



Recognized as Top Employer India 2026 for People-First Practices



Won the CNBC TV 18 India Risk Management Award 2025



Our Annual Plantation Drive in Noida with over 2,000 saplings planted



Recognized for Excellence in People Analytics at the SHRM Excellence Awards 2025



2023-24

Environmental, Social and Governance

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Managing Director's Message

Dear Valued Stakeholders,

Greetings!

FY26 was a year of disciplined execution and meaningful progress for Happiest Minds as we strengthened our AI-first positioning, expanded our capabilities, and continued creating sustainable value for customers, shareholders, employees, and communities. Guided by our mission of creating "Happiest

People. Happiest Customers.", we remain committed to building a future-ready organization powered by innovation, agility, and responsible growth.

Building on the momentum of our strategic transformation journey, we recently launched our **11th strategic transformation, "AI First. Agile Always."**, reinforcing our commitment to embedding

artificial intelligence at the center of everything we do, from engineering products and platforms to transforming customer experiences and enhancing our own operations. This strategic direction is accelerating enterprise transformation through innovative AI solutions, our flagship Enterprise AI Platform, and scalable offerings such as the **Arttha** banking platform and **Eduweave** for the education sector.

Our strategic focus on AI-led digital engineering, targeted acquisitions, and customer-centric execution continued to deliver resilient business momentum during FY26 despite a dynamic macroeconomic environment. Revenues grew **12.3% year-on-year to ₹ 2,315 cr**, while operating profit reached ₹ 401 cr and Adjusted PAT stood at ₹ 278 cr. We ended the year with **300+ active clients**, added 51 new clients, and **recorded a 27% increase** in our pipeline, reflecting sustained demand for AI-led digital transformation.

Reflecting our strong balance sheet and sustained cash generation, the Board has recommended a **final dividend of ₹ 3.65** per equity share, taking the **total dividend for FY26 to ₹ 6.40** per share, underscoring our continued commitment to delivering shareholder returns while investing in future growth.

Our recent strategic acquisitions of **PureSoftware Technologies, Aureus Tech Systems, and GAVS Technologies Middle East business** have significantly expanded our capabilities across BFSI, Healthcare & Life Sciences, and digital product engineering, while strengthening our AI, data, cloud, and platform-led offerings and enhancing our regional presence. During the year, we successfully completed the integration of these businesses into a unified operating model, creating a stronger and more agile organization.

Looking ahead, **with our guidance of 12.5% constant currency growth** and a continued focus on margin expansion, we remain well positioned to deliver

sustainable, profitable growth while helping our clients realize greater value through AI-led transformation.

Alongside our business priorities, we remain equally committed to creating sustainable long-term value through responsible business practices. **At Happiest Minds, ESG is not a parallel priority but a natural extension of our purpose**, strengthening our business strategy, enhancing resilience, and creating enduring value for all stakeholders.

ENVIRONMENTAL

Our environmental strategy focuses on improving resource efficiency, advancing circularity, and promoting responsible consumption across our operations. **Solar installations now contribute approximately 12% of our overall facility energy consumption, while Zero Liquid Discharge (ZLD) practices** reinforce responsible water stewardship across locations. Our **waste management initiatives** further support landfill reduction through sustained composting and recycling efforts.

The **One Billion Drops** program, United Way Bengaluru's flagship water conservation initiative, remains central to our water stewardship efforts. Through this initiative, we committed to **constructing 1,000 percolation wells across Bengaluru and have completed 895 wells to date**, contributing to groundwater recharge and building long-term water resilience.

We also expanded our afforestation and ecosystem restoration initiatives, including planting over **1.21 lakh trees** through 'Cauvery Calling', an initiative of the Isha Foundation, and **1,00,000 mangroves in coastal Tamil Nadu in partnership with Grow-Trees**, while also promoting biodiversity zones across rural Karnataka and Tamil Nadu.

A defining milestone during the year was the launch of **Digital Detox Week**, a bi-annual, organization-wide initiative promoting responsible e-waste disposal. The program **collected ~2,000 kg of e-waste, avoided 8-14 tonnes of CO₂e emissions, and engaged over 3,500 members**, creating a scalable model for circularity.

We remain committed to our long-term net-zero ambition by reducing emissions, expanding renewable energy, and embedding circular economy principles across our operations.

SOCIAL

People remain at the heart of our success. We continue to invest in inclusion, capability building, employee well-being, and community development to create lasting impact.

Our **Aura Rise** initiative empowers women professionals through mentoring, leadership development, and learning opportunities, strengthening career progression and leadership-readiness. This is complemented by our continued investment in talent development, recognized through **3 Brandon Hall Group Awards** for excellence in learning and development.

Over the last 15 years, our partnership with the Akshaya Patra Foundation has enabled the serving of more than **12.51 million** mid-day meals to school children, contributing to improved nutrition, enhanced classroom participation, and better educational outcomes.

In healthcare, **we enabled care for over 3,740 children with Type 1 diabetes and supported mental health initiatives impacting 1,500+ individuals**, expanding access to care in underserved communities.

Community initiatives such as **River Weaves, plastic-free programs, and Daan Utsav** continue to drive sustainable livelihoods, responsible consumption, and meaningful social impact. We raised ₹ 1.5 million through member contributions during Joy of Giving week.

Our volunteering efforts also supported **Project Puthri**, enabling STEM career guidance for underprivileged girls, further strengthening future career-readiness. These efforts were **recognized at the Prayag - Volunteer Celebration Event 2026**.

Together, these initiatives advance our commitment to the UN Sustainable Development Goals, including quality education, gender equality, and inclusive growth.

GOVERNANCE

Our governance framework remains anchored in **transparency, ethics, and accountability**, supported by robust policies across **integrity, compliance, and risk management**.

Our zero-tolerance approach to misconduct is reinforced through structured systems for monitoring, compliance, and grievance redressal. We continue to provide transparent stakeholder engagement channels, including the **We Hear** portal, and maintain global standards in data protection through our **ISO 27701 certification**.

Our governance practices continue to receive external recognition, including a **"Strong" ESG rating** from CRISIL and recognition by Dun & Bradstreet among India's leading ESG organizations. As expectations continue to evolve, we remain focused on strengthening enterprise risk management, cybersecurity, responsible AI governance, and data integrity.

Looking ahead, we will continue to strengthen our ESG framework through enhanced measurement, improved disclosures, and alignment with evolving global standards. We recognize that sustainable growth and the journey towards net zero require long-term commitment, disciplined execution, and continuous innovation.

I sincerely thank our Board, shareholders, customers, partners, and every Happiest Minds member for their continued trust, dedication, and support. Together, we will continue to build an organization that combines technological excellence with responsible business practices, creating enduring value for all our stakeholders.

Best Regards,

Venkatraman Narayanan
 Managing Director

SUSTAINABILITY AT HAPPIEST MINDS

Sustainable by Design. Agile by Action.

Sustainability is integral to our growth strategy, driving rapid progress across ESG (Environmental, Social, and Governance) priorities. Guided by purpose and committed to delivering sustainable value to all stakeholders, we stay ahead of the ESG curve with active leadership oversight. Our recognition as India's Leading ESG Entities for FY25' by Dun & Bradstreet affirms this commitment. Our ESG policies are designed to deliver long-term value, especially for the environment.

Sustainability Framework and Approach

Our framework drives sustainable business practices with a clear focus on climate action. We are progressing toward carbon neutrality by 2030, with disciplined tracking of key metrics including emissions, energy consumption, waste, and air and water quality. Our performance is transparently disclosed through BRSR and EcoVadis reinforcing accountability and stakeholder confidence.

Sustainability Governance

Leadership anchors our sustainability agenda through robust oversight, integrated risk management, and active stakeholder engagement. Our ESG policies emphasize ethics, transparency, and full regulatory compliance. Guided by the ESG Committee, we advance our sustainability priorities to create long-term shareholder value while contributing positively to society.



Contribution to the UNSDGs

Tree Plantations

Our mangrove restoration initiative in Chengalpattu, Tamil Nadu, strengthens coastal ecosystems through the plantation of Rhizophora species, enhancing biodiversity, natural carbon sequestration, and resilience to coastal hazards, while supporting water quality, soil stability, and community livelihoods.

In addition, through our partnership with the Cauvery Calling initiative (Isha Outreach), we have supported large-scale afforestation efforts, contributing to the plantation of over 1.21 lakh trees, advancing ecological restoration and sustainable livelihoods for farming communities.

2,21,000

Saplings planted

4,520,000 kg

CO₂ per year sequestration upon maturity

Renewable Energy

Our rooftop solar installation at the Bengaluru offices is helping us increase the share of clean energy in our operations. This initiative supports our broader transition towards renewable energy adoption and reflects our commitment to reducing dependence on conventional power sources over time.

12.15%

Green energy contribution

100% by 2030

Renewable energy ambition

Waste Management

We continue to strengthen waste management practices across our operations through source reduction, responsible disposal and structured segregation. Food waste from the pantry is composted, while the cup and kerchief initiative has helped reduce the use of disposables such as tissues, paper cups and plastic packaging.

Our urban waste management pilot on Hosur Road, Bengaluru, focuses on daily cleaning, public bin installation, electric vehicle-based waste collection, waste segregation and active vendor engagement. The initiative has improved cleanliness across the covered stretch, reduced littering, encouraged community participation and supported more sustainable waste handling practices.

100%

Food waste composted

500-meter stretch

Urban waste management coverage

2 sweepers and 1 supervisor

On-ground team deployed

1 EV

Waste collection vehicle

100%

Flower waste segregation

Water Management

We have adopted water conservation measures across our facilities through sensor-operated taps and responsible reuse of treated wastewater. Wastewater generated at our premises is treated through the STP and reused for washrooms and plant watering, supporting circular water use and reducing freshwater dependence.

100%

Wastewater treated and reused

One Billion Drops

Water security during peak summer months in Bengaluru remains a key focus of our sustainability efforts. Through the One Billion Drops initiative, we are supporting rainwater harvesting and groundwater recharge by installing percolation wells across the city. The initiative contributes to long-term water resilience and reflects our commitment to environmental stewardship and climate action.

895

Percolation wells installed

Social Forestry and Soil Conservation

Our social forestry and soil conservation initiative in Karnataka enables large-scale plantation of native and non-invasive saplings through farmer-led adoption. The program is supported by training, monitoring and agro-climatic species selection, ensuring that plantation efforts remain locally relevant, ecologically suitable and sustainable over the long term.

2 years

Monitoring support

Farmer-led adoption

Plantation approach

Agro-climatic suitability

Species selection

E-Waste Management Initiative

Our e-waste management initiative promotes structured collection and recycling through certified channels. It supports circular economy principles, encourages responsible consumption and reduces environmental risks linked to improper e-waste disposal. The initiative also strengthens employee awareness on sustainable disposal practices and reinforces our commitment to responsible resource management.

Certified channels

Recycling route

Sustainable disposal practices

Employee awareness

Responsible consumption

Circularity focus

Community Mental Health Program

Our community mental health initiative in Puri District, Odisha, is designed to improve access to care for persons with mental illness and their caregivers. The Program supports clinical interventions, counseling, treatment follow-ups, vocational training, welfare linkages and community capacity-building through awareness Program and caregiver networks. Through this integrated approach, the initiative enhances quality of life, promotes economic independence and strengthens community-based mental health support systems.

1,500

Number of people beneficiaries

Clinical care, counseling and follow-ups

Support areas

Vocational training and welfare linkages

Socio-economic support

ESG KPIs

KPIs	Units	FY 2025-26	FY 2024-25	FY 2023-24
Total electricity consumption	kWh	38,00,913	40,11,397	39,69,007
Electricity-renewable	kWh	4,88,911	4,86,719	4,92,559
Total fuel consumption	KL	26.53	40.44	43.90
Total Scope 1 GHG Emissions	MTCO ₂ e	741	1,011.75	1,241.76
Total Scope 2 GHG Emissions	MTCO ₂ e	2,721	2,872.16	2,841.81
Total GHG emissions (Scope 1 + Scope 2)	MTCO ₂ e	3,462	3,883.9	4,083.57
Scope 3	MTCO ₂ e	4,922	4,671.76	3,295.34
Total water consumption	KL	20,532	71,619	9,204
Total hazardous waste disposed	L	0	0	0
NOx	mg/Nm ³	25.9	26.7	15
SOx	mg/Nm ⁴	12.1	11.2	7.5
Particulate matter	Ug/NM ³	28.4	36.3	32.6
CSR spend	₹	619 lakhs	422 lakhs	226 lakhs

Economic Value Created and Distributed

Particulars	FY 2025-26	FY 2024-25	FY 2023-24
Revenue	2,31,511	2,06,084	1,62,466
Other income	8,497	10,138	8,416
Direct economic value generated	2,40,008	2,16,222	1,70,882
Operating costs	33,608	31,863	26,411
Employee wages & benefits	1,56,095	1,36,534	1,01,469
Payments to providers of capital	8,601	8,385	3,408
Payments to government	7,952	8,443	9,518
Community investments	736	655	470
Economic value distributed	2,06,992	1,85,880	1,41,276
Economic value retained	33,016	30,342	29,606

ENVIRONMENTAL

Environmental Strategy

Reducing our carbon footprint is central to our environmental strategy. We are systematically lowering emissions through energy efficiency initiatives, increased adoption of renewable energy, and optimized transportation practices. Our ambition is to achieve a 100% reduction in Scope 1, 2, and 3 emissions from baseline levels, progressing toward full carbon neutrality by 2030. In parallel, we focus on resource optimization, waste reduction, and circular economy principles, while actively engaging with suppliers who align with our environmental standards.



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Energy Management

We are firmly committed to achieving carbon neutrality by 2030. As part of this journey, we installed rooftop solar systems to initiate our transition to renewable energy. A significant portion of our total energy consumption comes from green sources, reducing reliance on fossil fuels and lowering our carbon footprint.

We have also improved energy efficiency across our offices by replacing traditional fluorescent lighting with LED fixtures, significantly cutting daily energy use and emissions.

12.15%

of our total energy consumption comes from green sources

Sustainable Technology Practices

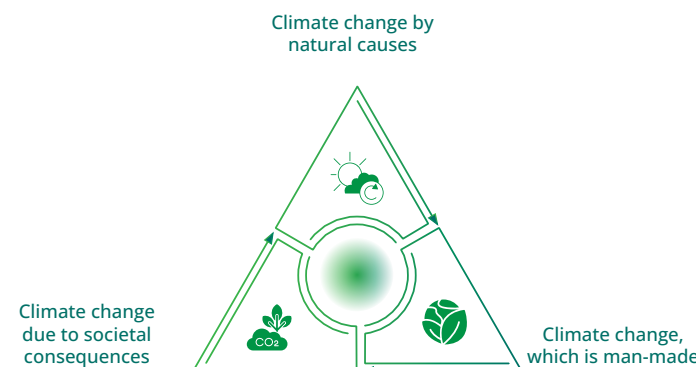
Laptop Usage and E-Waste

We extend the lifecycle of laptops up to 4 years before responsibly recycling them through certified e-waste programs, minimizing electronic waste and promoting circularity.

Climate Change Management: Our Approach to Carbon-Neutrality



Management of climate change reduces to addressing three general issues:



Human activity continues to accelerate temperature shifts, leading to extreme weather events such as droughts, heat waves, and floods. Recognizing these risks, we are committed to managing our environmental impact and driving meaningful progress toward carbon neutrality.

Sustainable Laptop Purchases

Our procurement choices are guided by sustainability. We opt for energy-efficient, eco-certified laptops from trusted brands like Dell and Lenovo, ensuring lower carbon footprints from the outset.

Server Usage and Recycling

Servers are utilized for up to 10 years before recycling. Meanwhile, our shift to cloud infrastructure reduces energy use, limits physical hardware, and enhances operational efficiency.

Our Carbon Offset Programs

We are advancing with clear intent towards our carbon neutrality ambition by strengthening the way we manage emissions across our operations. Our efforts are focused on reducing direct and energy-related emissions, with particular emphasis on optimizing fuel usage and improving operational efficiency. During the year under review, these actions delivered a significant reduction in fuel consumption and contributed to a sharp decline in direct emissions. This progress reinforces the effectiveness of our approach and reflects our steady movement towards a lower-carbon operating model.

2,030

Carbon neutrality target

30%

Reduction in fuel consumption

27%

Reduction in Scope 1 emissions

Biodiversity

We take nature as a critical partner in our sustainability journey, guiding our approach to long-term value creation. Our biodiversity efforts focus on responsible land use, conservation of natural habitats, and the integration of environmentally responsible practices across our operations.

Grow-Trees Mangrove Plantation: Building Resilient Ecosystems for a Low-Carbon Future

The Grow-Trees mangrove plantation initiative strengthens our ESG commitments by integrating climate action with ecosystem restoration and community development. Through the plantation of 1,00,000 mangrove trees across ~9.8 hectares in Tamil Nadu, the project contributes significantly to carbon sequestration, with an estimated absorption of ~ 20,00,000 kg of CO₂ annually upon maturity, supporting our long-term decarbonization goals.

Beyond emissions reduction, the initiative enhances coastal resilience by protecting shorelines from flooding, storm surges, and climate-induced risks, while restoring biodiversity and improving water quality. It also creates sustainable livelihood opportunities for local communities through plantation and maintenance activities, reinforcing inclusive growth. By combining environmental impact with socio-economic benefits, the initiative plays a critical role in strengthening our climate strategy and advancing our commitment to sustainable and responsible business practices.

Value Chain Sustainability

Supply Chain

Sustainability extends beyond our operations to the entire value chain. Through responsible procurement, ethical labor practices, and supplier engagement, we are embedding sustainability into how we source and operate. Our Vendor Code of Conduct reflects our commitment to transparency and ethical sourcing, ensuring we partner with suppliers who uphold environmental and social responsibility.

We conduct due diligence, perform supplier audits, and offer guidance to help our partners meet evolving ESG standards. Our procurement process is designed to support these efforts at every step.

Our Approach in Action:

- Conduct regular audits, training, and ESG alignment workshops for suppliers
- Strengthen environmental, social, and governance practices with existing partners
- Promote supplier diversity by supporting local, women-led, and underserved businesses
- Prioritize green sourcing by reducing waste, reusing materials, and promoting recycling

Supplier Due Diligence

Building a sustainable supply chain begins through partnering with environmentally responsible suppliers. We conduct thorough due diligence to identify and manage environmental and stakeholder risks. Our goal is for 50% of our suppliers to meet our sustainability standards by 2028, driven through continuous audits, close collaboration, and strong oversight.

Supplier Diversity

We are equally committed to fostering an inclusive supply chain. This includes actively engaging with minority-owned and women-led businesses. By streamlining onboarding and supporting underrepresented groups, we promote fairness while enhancing innovation, resilience, and community impact.

Sustainable Sourcing

Sustainable sourcing is embedded in how we do business. We choose suppliers who uphold ethical labor practices, monitor their carbon footprint, and maintain transparency. We also give importance to procure from green sources. These choices help protect natural resources, support local economies, and create long-term value for all stakeholders.

53%

Procured Locally (Within India)

32%

Sourced from MSMEs

16%

Green Sourcing

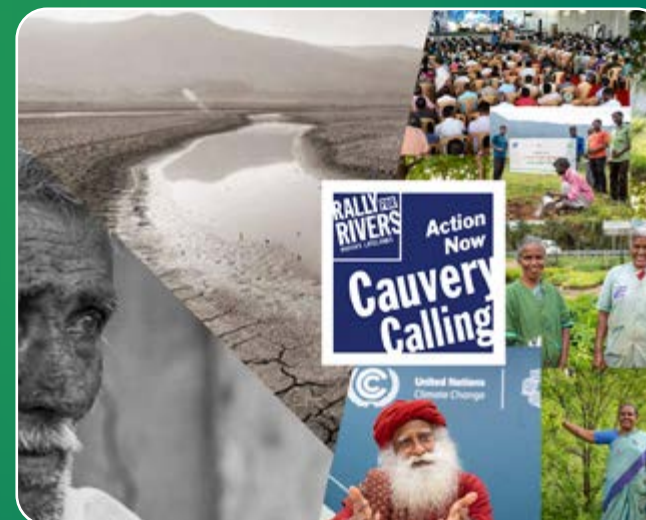
Supply Chain Management and Code of Conduct

We believe in doing the right thing - always. This commitment extends to our supplier relationships, where ethics, integrity, and environmental and social responsibility are non-negotiable.

Our Supplier Code of Conduct sets clear expectations around legal compliance, ethical sourcing, and sustainability. It prohibits child and forced labor, addresses conflicts of interest, ensures product quality, promotes fair trade, and encourages environmental care.

All new suppliers are inducted into this framework and must confirm their adherence by signing the Code. Responsible business is foundational to our endeavors.

Testimonials and Key Messages from Our Sustainability Partners



"The Cauvery Calling project onboarded Happiest Minds as one of our largest contributors for the year. With their support, we enabled more than 178 farmers across 7 districts of Tamil Nadu to adopt tree-based agriculture and plant a total of 1.21 lakh trees. Their contribution facilitated the much-needed transition towards regenerative agriculture practices while securing long-term income for farmers, restoring soil health, and increasing green cover. These 1.21 lakh trees are expected to sequester over 45K tons of CO₂ during the period of 30 years."

Anand Ethirajalu

Project Director, Cauvery Calling



"United Way Bengaluru, we are proud to partner with Happiest Minds' in driving meaningful environmental and community impact. Together, we have strengthened groundwater recharge in Bengaluru through the One Billion Drops campaign, created a 25-acre community-owned social forest in Chikkaballapura, and developed park space in Madurai. These initiatives are generating lasting environmental, social, and economic benefits for the community and will continue to benefit over 5.7 lakh individuals. Happiest Minds' commitment to sustainable development is commendable, and we look forward to building on this shared vision for positive change."

Rajesh Krishnan

CEO, United Way Bengaluru

SOCIAL - PEOPLE

Adhering to People-First Culture

People Practice Framework

Our People Practice strategy is central to our ambition to double in size over the next three years. By aligning People Practice initiatives with business priorities, we are building an agile, future-ready talent ecosystem for sustained growth.

Compensation and Benefits

Benefits

- **Insurance and well-being:** Enhanced benefits under the Base Flex Plan, introduced the Diamond Plan for leadership, and expanded sum insured options under the Parental Policy in India. We also aligned global benefits across geographies with enhanced offerings
- **Compensation and compliance:** Aligned the compensation structure with the new labor wage code and rolled out the Compensation Framework for PDES, COE Analytics, and COE DPA
- **Policy and benefits enhancements:** Updated holiday structures, introduced the Middle East Leave Policy, revised the Conveyance Policy for the US and Canada, revised the Leave Policy for UK SMP limits, updated Australia maternity leave applicability, revised India annual leave for Telangana, and updated the Overseas Business Travel Policy to include Oman location limits
- **Incentives and rewards:** Introduced a new reward initiative under the Inside Sales Incentive Policy in FY26 and launched the New Farmer Model for BDMS under PDES

M&A and Organizational Evolution

We executed strategic M&A and transformation initiatives to improve operational efficiency, integrate talent, and support scalable growth.

- **PureSoftware:** Successfully aligned policies, processes, systems, and teams
- **GAVS and Innovaz integration:** Seamlessly integrated benefits and policies, while ensuring alignment with local geography compliance requirements

Pioneering Programs for Employee Engagement and Growth

New Program Launches

- **Benevolent Fund (Harmony):** Raised ₹24 lakhs from inception through April 2026.
- **Fixed-Term Employment:** Onboarded 69 hires in FY26.
- **MentorUp:** Launched Season 2 of reverse mentoring with 70+ participants, enabling cross-generational learning, with 35+ sessions completed so far.
- **Seven Spokes of Happiness:** Engaged 3,500+ members through expert-led well-being sessions.
- **Applaud:** Launched a peer recognition platform that recorded 10,000+ appreciations in 30 days, supported by gamified features.
- **Apprenticeship Program:** Enabled a policy-driven hiring lifecycle, onboarding 137 apprentices through robust policies and systems.

Strengthening Employee Connections

We enhanced our member engagement initiatives to foster inclusion, well-being, and a feedback-led culture that supports stronger leadership and a positive workplace experience.

- **Happometer:** Logged 11,636 interactions; 79% reported Happy, offering real-time sentiment insights
- **Mithra (FY 2025-26):** Delivered 123+ counseling hours.

New Hire Engagement

- **New Hire Lounge:** Engaged with 850 new joiners as part of "SmilesOnboard", the onboarding experience program
- **Lead and Inspire:** leadership-led motivational sessions for 240 members
- **PoSH Training:** 1,173 new joiners have completed their POSH training

Leadership and Talent Development

We continue to build a high-performing, future-ready workforce through focused leadership programs and continuous development

- **i3 Program:** Graduated 2 batches of Delivery Managers, Architects, and Business Analysts, and 1 batch of Project Management leaders
- **Hogan Assessments:** Conducted assessments for 70+ leaders, including C9-level debriefs by Board Member Ms. Anita Ramachandran
- **Global Leadership Development:** Sponsored 5 leaders for executive programs at IIM-B and ISB
- **LEAP Program:** Launched a program for people managers, combining classroom learning with post-training behavioral activation. The program covered Leading, Enabling, and Accelerating People management for 67 people managers across Noida and Bengaluru

- **Mentorship Program:** Launched as part of the Individual Development Plan for 22 Aura Rise-Achieve members
- **Glider AI:** Used the tool to assess technical competencies for upskilling, project allocation, and training

People Practice Strategy (FY 2026-27)

Our People Practice strategy is central to our FY 2026-27 vision and is anchored in five core pillars: Talent Retention, Future-Ready Capabilities, Unified Post-Merger Enablement, AI-Driven Innovation, and Transformation Enablement. In FY27, we aim to strengthen retention, accelerate skill-readiness, and embed an AI-first philosophy across the talent lifecycle. This strategy supports an integrated one-team operating model that promotes organizational cohesion, business continuity, and data-driven decision-making at scale.



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Five-Pillar Framework

Strengthening Talent Retention

- **Critical talent management:** Implement a robust framework to identify and engage high-potential talent through targeted compensation benchmarking and accelerated career progression pathways
- **Managerial accountability:** Deploy a three-tier people-risk framework to reduce high-risk attrition, with retention KPIs embedded into manager performance scorecards to strengthen ownership

Building Future-Ready Capabilities

- **AI reskilling at scale:** Execute organization-wide upskilling initiatives to bridge the AI talent gap and deliver measurable value for our members and clients
- **Leadership pipeline excellence:** Strengthen leadership-readiness through multi-level development programs focused on managerial effectiveness and behavioral transformation, supported by collaborations with premier academic institutions
- **Women in leadership:** Accelerate the advancement of women leaders through structured mentorship, sponsorship, and targeted capability building to increase representation across senior management tiers

Unified Post-Merger Enablement

- **Culture harmonization:** Drive systemic alignment across all business units to build a cohesive organizational identity and shared purpose
- **Synergy realization:** Enable cross-entity collaboration frameworks to accelerate operational synergies and collective performance across newly integrated teams

AI-Driven Innovation

- **Operational AI integration:** Advance from GenAI-readiness to embedded AI operations by using automation and intelligent interfaces to drive enterprise-wide productivity and scale
- **Predictive and autonomous practices:** Move toward agentic AI and autonomous workflows across onboarding, rewards, and people analytics to enable a predictive, high-velocity talent function

Transformation Enablement

- **Performance and outcome alignment:** Embed outcome-driven behaviors by aligning roles, incentives, and recognition frameworks with broader business goals, reinforced through continuous development dialogues
- **Enterprise-wide culture activation:** Scale Mission, Vision, and Values activation and real-time listening platforms across 100% of the workforce to strengthen responsiveness and cultural cohesion across all global geographies

A Culture of Belonging, Purpose, and Growth

We are committed to nurturing an environment where every member feels seen, valued, and empowered to thrive. As we continue to grow, we remain rooted in our people-first philosophy fostering growth, championing innovation, and shaping the future, one empowered mind at a time. Our people-first people practice strategy integrates career development, leadership-readiness, and talent integration to ensure every member:

- Discover meaningful growth opportunities and new career paths
- Access advanced learning and leadership programs
- Navigate career transitions with clarity and support
- Feel a strong sense of belonging, purpose, and recognition

Culture of Mindfulness

Practicing mindfulness, emotional intelligence, helping members manage stress and anxiety, improve collaboration & productivity

Culture of Happiness Evangelism

The culture of happiness evangelism focuses on actively promoting joy, positivity, and fulfillment within the organizations to enhance overall well-being and productivity

Culture of Inclusion

27% gender diversity
Women in tech initiatives
D&I sensitization training
Diversity & inclusion programs
Glassdoor score: 3.7

Culture of Giving

12.5 million meals over the past 15 years towards Akshaya Patra Foundation



Culture of Wellbeing

EAP program,
Holistic well-being - emotional, financial, physical wellness, etc.
Doctor teleconsulting, Leave Donation Program
Compassion Program

Culture of Listening

MITHRA – The Good Samaritan Program, Happometer, Dipstick Surveys, eNPS, GPTW surveys, 360 degree feedback, Feedback for managers

Culture of Gratitude

Gratitude Stories, Gratitude note to Happiest Minds Family, Peer to Peer Recognition, Spot Awards, iAppreciate

Culture of Learning

Upskilling and cross-skilling
Mentoring programs
High-potential (HiPo) programs
Thought leadership
Career pathing
Leadership development programs

Key Initiatives Undertaken

Culture of Mindfulness

Living Mindfully

Mindfulness is the practice of being fully present, free from distraction, judgment, and unnecessary worry. It helps us anchor our attention in the moment and approach our thoughts and emotions with openness and acceptance. Through mindfulness, we engage with life more purposefully, with curiosity and clarity.

Mindfulness in Daily Life

- **Emotional well-being:** Regulates emotions, reduces anxiety, and cultivates inner peace
- **Resilience:** Helps us navigate challenges with calm and composure
- **Creativity:** Promotes clear thinking, innovation, and effective problem-solving
- **Decision-making:** Enhances clarity and supports deliberate, informed choices
- **Self-awareness:** Strengthens understanding of our thoughts, emotions, and behaviors
- **Collaboration:** Encourages empathy, active listening, and teamwork
- **Adaptability:** Enables confident and flexible responses to change
- **Sustainable happiness:** Supports a richer and more meaningful life experience

Mindfulness at Happiest Minds

Mindfulness is integral to our culture and deeply embedded in the 7C Framework of the Happiest People. This guiding philosophy enables us to deliver world-class solutions grounded in our core values, while creating meaningful and lasting impact across our organization and the broader community.

Our approach to mindfulness is two-fold. Being mindful focuses on cultivating non-judgmental awareness by remaining fully present and accepting each moment as it is. Doing Mindful emphasizes engaging with the present through focus, curiosity, and openness.



Mindfulness Training in FY 2025-26

1,017
Participants covered in FY 2025-26

6,497
Total Happiest Minds till date

93%
Coverage of Mindfulness training

Mission, Vision and Value (MVV) Training in FY 2025-26

820
Participants covered in FY 2025-26

6,497
Total Happiest Minds till date

64%
Coverage of MVV training

Culture of Happiness

Cultivating a Culture of Joy and Well-Being

Happiverse is our holistic well-being initiative, designed to promote emotional wellness, deepen human connections, and create a more fulfilling workplace. At its core is the Seven Spokes of Happiness framework, which builds a deeper understanding of happiness and resilience through curated sessions led by senior leaders and practical articles on nurturing joy in personal and professional life.

To strengthen trust and connection, Happiverse offers safe, non-judgmental, and anonymous platforms such as Listening Post and Mithra, enabling members to share, reflect, and seek support with confidence. Our engagement programs, including The Happiness Compass, Happiness Ambassador, and Happiness Memoir, encourage self-discovery, meaningful participation, and storytelling, while reinforcing a shared culture of well-being across the organization.

Mindfulness Matters: Strengthening Present-Moment Awareness

Mindfulness Matters is a structured program that helps members build self-awareness, reduce stress, and develop a focused, peaceful mindset. Through guided sessions, members explore techniques to strengthen resilience, emotional intelligence, and overall well-being. The program equips them with practical tools to stay grounded, manage challenges with composure, and bring greater emotional balance, concentration, and clarity to work and life.

Happometer: Real-Time Insights into Workplace Happiness

Happometer is our real-time feedback tool that captures members' emotional well-being and enables timely, empathetic intervention. In cases of workplace dissonance, the Happiness Evangelist receives an immediate alert to provide support. This continuous feedback loop promotes active listening, thoughtful intervention, and ongoing refinement of our initiatives, making every voice count and every experience better.

The Happiness Compass: Your Monthly Guide to Joy

The Happiness Compass is our monthly newsletter that keeps members informed, inspired, and connected. It features updates on Happiverse programs, accessible insights into the science and philosophy of happiness, and real-life stories from our community. Together, these elements reflect our commitment to nurturing a workplace culture grounded in well-being, collaboration, and meaningful engagement.

Happiness Memoir: Sharing Joy, Spreading Positivity

Happiness Memoir brings to life personal stories shared by our Happiness Ambassadors, who actively champion joy and positivity across the organization. These stories capture moments of gratitude, resilience, and everyday experiences that shape a positive workplace. By sharing these reflections, the initiative reinforces our culture of appreciation, connection, and shared joy.

Listening Post: A Safe Space for Meaningful Conversations

Listening Post provides a confidential space for members to express their thoughts, concerns, and experiences in a respectful and supportive environment. Facilitated by our Happiness Evangelists, the platform enables open dialogue and empathetic listening, reflecting our commitment to a workplace where every voice is valued and every member feels supported.

07

Exclusive sessions and articles provided to cultivate happiness

05

Sessions conducted to build resilience, emotional intelligence, and well-being

100+

Members have embraced mindfulness in daily life

04

Batches delivered tools for calm, clarity, and presence

11,636

Total engagements recorded on Happometer

79% (9,192)

Reported feeling happy

Culture of Inclusion: Embracing Diversity and Belonging

Diversity, Equity, Inclusion, and Belonging (DEIB) is a core value that shapes our culture and strengthens our performance. We believe DEIB drives innovation, enhances collaboration, and creates an environment where every member feels respected, valued, and empowered. Our commitment extends beyond policies through mentorship, education, and accessibility initiatives that foster genuine belonging across our workplace.

Diversity at a Glance

27%

Women-led workforce

95%

Maternity return rate

100%

Paternity leave return rate

12 Nationalities

Global workforce brings diverse perspectives

5 Generations

Represented in our workforce, blending fresh ideas with deep experience to drive innovation and collaboration

1,769

Women members supporting career growth and mentorship (Aura ERG)

12

Members with 8 types of special abilities

Ensuring accessibility and inclusion

28

Cultural backgrounds are celebrated through festivals and engagement programs, fostering inclusivity and cross-cultural understanding

3,120

Members have taken the awareness training sessions to foster understanding, allyship, and inclusivity

Culture of Giving: Empowering Lives Through Compassion

At Happiest Minds, giving back is a fundamental aspect of our ethos, reflected through purposeful initiatives and contributions that create meaningful impact.

Making a Difference, One Contribution at a Time

₹ 15.10 lakhs

Collected contributions through Daan Utsav, fulfilling 3,300+ wishes for children across five NGO partners

₹ 160 lakhs

Contributed to The Akshaya Patra Foundation to provide midday meals, supporting the nourishment of school children

₹ 10 lakhs

Kadambari: Promoted traditional Indian arts and crafts through exhibitions like River Weaves, supporting artisans livelihoods, natural dye adoption and sustainable practices.

₹ 46 lakhs

Donated to Idhayangal Charitable Trust to support children under 14 with Type 1 Diabetes, ensuring access to life-saving treatment and care. Out of this contribution, ₹ 10 lakhs were raised from "Run Miles Bring Smiles", our annual Happiest Minds Run.

₹ 10 lakhs

Utkarsh Global Foundation: Driving a Single-Use Plastic-Free Karnataka by spreading awareness and promoting eco-friendly alternatives like cloth bags and steel bottles through its "Say No to Single Use Plastic" campaign launched in the state. Created awareness among children by distributing 10,000 cloth bags and reusable bottles, encouraging early adoption of sustainable habits.

Culture of Giving: Empowering Lives Through Compassion

₹ 10 lakhs

Live Love Laugh: Supported mental health programs in Puri through awareness and counseling initiatives impacting 1,500+ lives

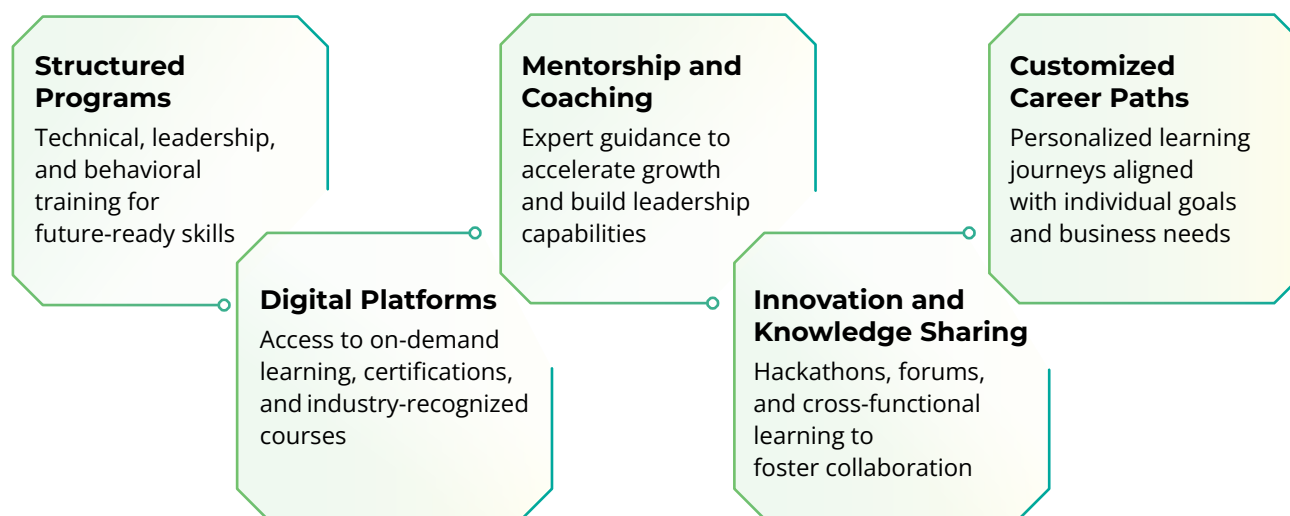
Giving with Heart, Changing Lives

Through these initiatives, we reinforce our commitment to social responsibility, education, healthcare, and community well-being. At Happiest Minds, giving is a consistent practice that contributes to building a better future for all.

Culture of Learning: Empowering Growth and Innovation

Learning is a mindset embedded in our culture. We promote continuous learning to drive curiosity, skill development, and knowledge-sharing, enabling personal and professional growth.

Key Learning Initiatives



Learning for a Future-Ready Workforce

We foster a culture that prioritizes continuous learning, skill development, and knowledge-sharing to ensure our members remain agile and future-ready. At Happiest Minds, learning is focused on driving innovation, growth, and operational excellence across all areas.



Culture of Listening: Creating a Workplace Where Every Voice Matters

We foster a culture of active and empathetic listening to understand our members' perspectives, emotions, and needs. This approach strengthens trust, openness, and continuous improvement across the organization.

Key Listening Platforms

Just Ask:

Enables members to submit questions directly to the Chairman, MD, and CXOs, with prompt responses

Mithra:

Connects members with trained in-house volunteers for peer support during personal or professional challenges

AHMM/Townhalls:

Provide open forums for direct interaction and feedback with leadership

Listening Post:

Provides a safe, non-judgmental space, facilitated by the Happiness Evangelism team, for open dialogue

We Hear:

Offers a confidential channel to report harassment or discrimination directly to the Chief People Officer

Building a Culture of Trust and Openness

We embed listening as a core value to create a workplace where members feel heard, respected, and empowered. These initiatives strengthen our culture of trust, support, and purposeful engagement, ensuring every voice matters.

Culture of Gratitude: Fostering a Workplace Where Appreciation Thrives

Gratitude is integral to our culture. Every session or gathering begins with a moment of thanks, reinforcing appreciation as a shared value. SMILES Cards are available across our facilities, while the Applaud digital platform enables members to recognize contributions from colleagues, managers, and teams across personal and professional contexts. This culture of appreciation extends across business units, the organization, and the community. We also observe Gratitude Month annually in January or February, encouraging members to reflect on and express gratitude for the positive aspects of their lives.

10,000

Appreciation shared with 4,000+ individuals over 30 days

10,000

Appreciate messages sent by more than 1,100+ people

4,000

Appreciate cards used to appreciate team members on the floor

Top Employer India 2026

The certification recognizes our sustained focus on building a people-first, inclusive, and high-performing workplace. It follows a rigorous, independent assessment of our people practices across areas such as people strategy, leadership, learning and development, well-being, diversity and inclusion, talent acquisition, digital HR, and people analytics.

We were assessed alongside more than 2,400 organizations globally and achieved an overall score of 92%, significantly higher than the industry benchmark of 85%. As part of the certification, our people-friendly practices were reviewed across six core HR areas: Steer, Shape, Attract, Develop, Engage, and Unite, covering the entire employee lifecycle.

The review spanned 20 strategic focus areas, including workforce planning, leadership development, diversity and

inclusion, well-being, learning, performance, and culture. The evaluation included multiple rounds of verification to ensure that our policies and practices truly reflect the employee experience.

Key Highlights

2,400

Total Responses

92% (>benchmark of 85%)

Top Employer India Score

Circle of Happiness

As part of our ESG framework for FY 2025-26, our social pillar focused on key priorities such as nutrition, health equity, education for the girl child, and member engagement. Alongside structured programs, we increased our focus on member-driven initiatives, including volunteering, immersion visits, and community participation campaigns.



Key Highlights

₹ 2.45 cr
Total budget allocated

37%
Percentage of overall ESG budget

Social Welfare & Education Initiatives

Mid-Day Meal Program

In partnership with The Akshaya Patra Foundation, we allocated ₹ 160 lakhs to provide balanced meals to children in government schools. This initiative aimed to improve both nutrition and school attendance.

Community Giving – Daan Utsav (Volunteering Project)

This member-led initiative raised ₹ 15.10 lakhs voluntarily, fulfilling 3,300+ wishes across 5 NGOs. It highlighted our shared culture of compassion and collective responsibility.

Healthcare Interventions

Children Care

Partnering with Idhayangal Charitable Trust, we allocated ₹ 46.0 lakhs to support screening, nutritional counseling, and lifelong disease management for children under 14 diagnosed with Type 1 Diabetes from marginalized communities. Out of this contribution, ₹ 10 lakhs were raised from “Run Miles Bring Smiles”, our annual Happiest Minds Run.

Lives Impacted (Estimated)

15,000+
children via mid-day meals

1,500+
lives impacted through mental awareness and counseling

Created awareness among children by distributing

10,000 cloth bags
and reusable bottles, encouraging early adoption of sustainable habits.

Social - Communities

Forging growth inclusively

Volunteering & Community Engagement Highlights

Artisan Livelihoods Supported, Natural Dye Adoption.

3,300+
direct beneficiaries through Daan Utsav

3,740+
children under diabetes care

Daan Utsav

₹ 15.10 lakhs
raised by members, 3,300+ wishes fulfilled for 5 NGOs

Cumulative Financial Summary – Social Pillar

Category	FY25 Budget (₹ lakhs)	% of Total ESG Budget	FY25 Spent + Committed (₹ lakhs)	Utilization %
Social Welfare & Education	235	6	245.0	100
Healthcare	40.6	35	56	100
Total (Social Pillar)	275.60	41	301	100

Strategic Alignment
UN SDG Alignment



Channels of Engagement

Holistic Well-Being through HappiZest

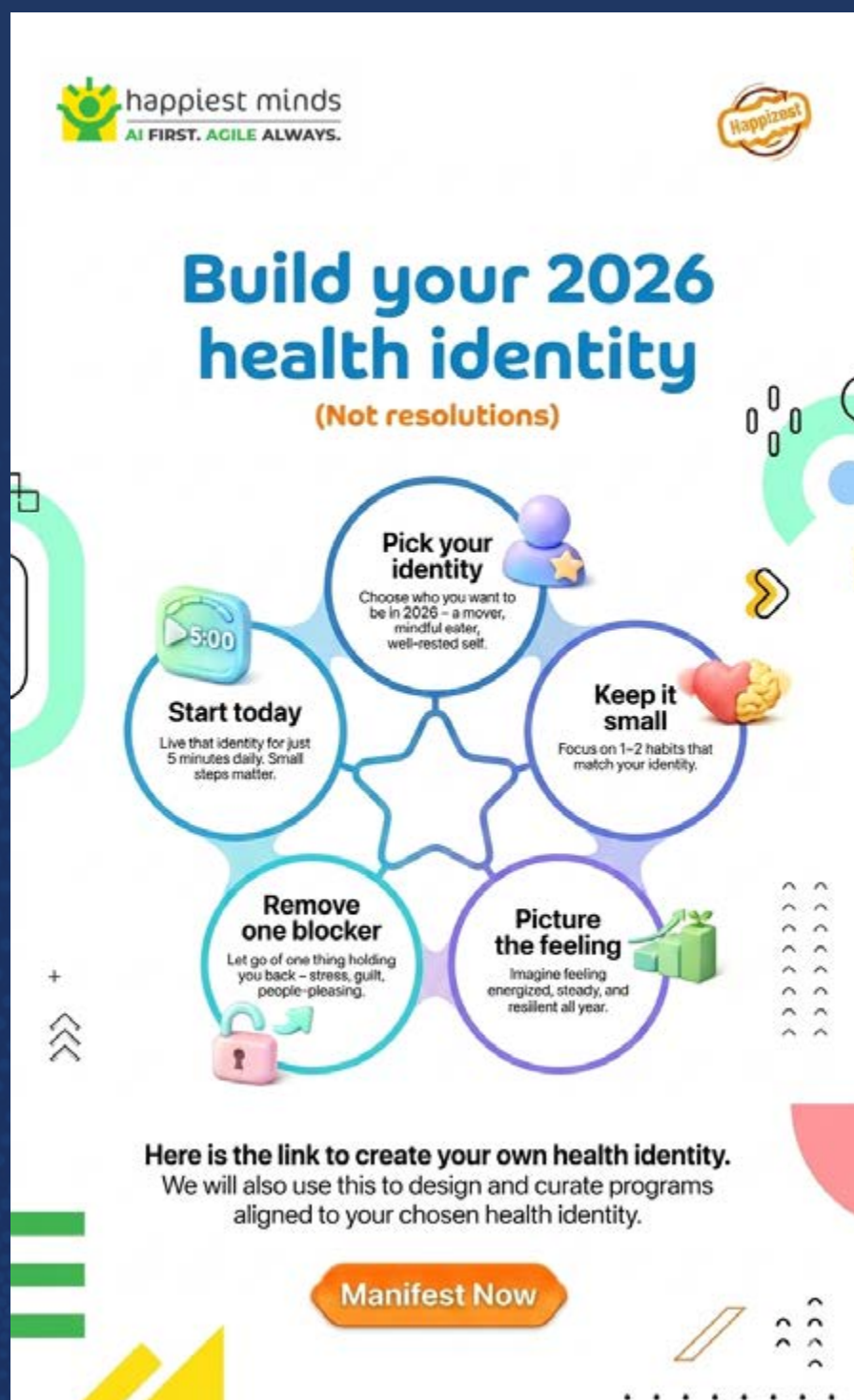
Our wellness platform, HappiZest, adopts the 7Ws of Wellness

- Physical, Spiritual, Intellectual, Professional, Social, Emotional, and Environmental, supported by expert-coached sessions, facilities, and corresponding logistics to cultivate complete member well-being.

Physical and Mental Wellbeing

Our wellness partners Happiest Health and Ekincare support a host of offerings designed for both physical and mental wellbeing:

- Generic and specialist consultation for members and their family
- Annual Health Checkup - Company sponsored for C7+ or members aged 40+. For other members and family members, exclusive corporate discounts are available
- Employee Assistance Program for members
- Exclusive discount on lab tests and pharmacy
- Onsite medical camps organized regularly for preventive screenings and early health risk identification



Benefits

Insurance

- Group Life Insurance
- Group Medical Insurance
- Group Personal Accident Insurance

Corporate Tie-Ups

- Health and Wellness – Hospital and Diagnostic Center Tie-ups
- Parenting and Childcare - Daycare Services, Preschool and School
- Fitness and Wellness – Gym Membership
- Dining – Restaurant Tie-ups
- Beauty and Wellness – Salon Tie-ups
- Corporate Purchase Programs

Special Initiatives

- Childbirth Gift
- Leave Donation
- Compassionate Loan
- Happiest Minds Referral Bonus
- Business Referral Bonus

- Sabbatical Leave
- Medical Leave
- Hybrid Working Model
- Harmony – Benevolent Fund
- MentorUp – Reverse Mentoring Program
- Restricted Holiday Option

Financial Benefits

- Salary Advance Policy
- Compassionate Loan
- Meal Card
- Company Leased Car
- National Pension Scheme

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- Employee Assistance Program for members
- Exclusive discount on lab tests and pharmacy
- Onsite medical camps organized regularly for preventive screenings and early health risk identification

Special Women Benefits

- Flexible Timings and Work-from-Home Options
- Bring Your Child to Work
- Maternity Leave
- Maternity Benefits
- Health Camps

Rewards and Recognition

Service Smilestones

Work anniversaries are celebrated as SMILESTONES through personalized mailers and customized gifts.

Awards

The Rewards and Recognition (RnR) Council curates categories such as Quarterly, Annual, Chairman, and Monthly Insta Awards to recognize impactful contributions.

Empuls

A points-based member recognition platform where members can earn and redeem points for rewards of their choice.

Applaud

A program that promotes a culture of gratitude by encouraging members to recognize the support and efforts of their colleagues. Marked a MILESTONE with over 10,000 appreciations shared among 4,000+ members across locations.

Gratitude by Giving Initiative

Contributed 3,000+ meals, reinforcing our commitment to community support.

Diversity and Inclusion

Diversity, Equity, Inclusion, and Belonging (DEIB) are integral to Happiest Minds' culture. They shape a workplace where every individual feel seen, heard, and valued. DEIB is more than a policy. It is a mindset that enables people from diverse backgrounds to bring their authentic selves to work. This strengthens creativity, collaboration, and innovation, making inclusion a key driver of organizational success.

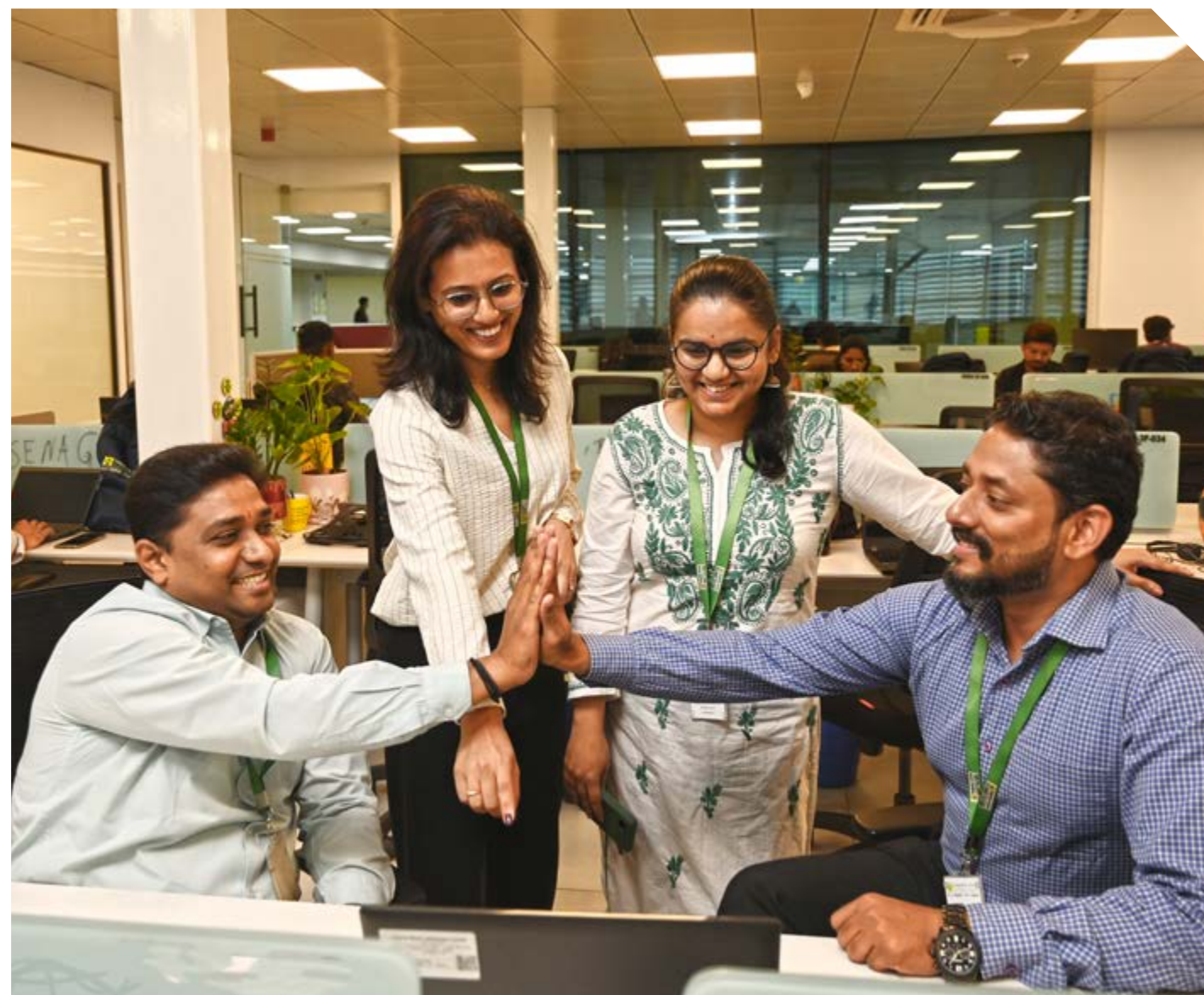
Building an Inclusive Workplace

Amplifying Awareness Through DEIB Communication

Happiest Minds promotes DEIB awareness through focused initiatives that encourage participation, dialogue, and inclusive behaviors. These initiatives help build understanding, challenge biases, and strengthen a culture of belonging.

Key initiatives included

- International Mother Language Day: Members shared meaningful phrases in multiple languages, promoting linguistic diversity and cultural appreciation
- Diversity and Inclusion Summit: Interactive sessions and campaigns deepened awareness and encouraged meaningful conversations on DEIB
- Autism Awareness Month: Internal storytelling highlighted neurodiverse voices and promoted acceptance and inclusion.
- Pride Month: An allyship session reinforced LGBTQ+ inclusion and belonging.
- Maa-Anubhav: Quarterly panel discussions enabled new mothers to receive guidance from experienced mothers, building a supportive community.
- Men's Day: Activities and "Paa-Anubhav" discussions focused on fatherhood and men's well-being.
- Leadership Summit for Professional Women: A dedicated platform supported women leaders in personal branding, career progression, and leadership development.
- PWD Awareness Campaign: Initiatives addressed misconceptions and promoted accessibility in the workplace.
- DEIB Basics and Engagement: Interactive learning modules simplified DEIB concepts and encouraged active participation.
- International Day of Persons with Special Abilities: Training sessions emphasized inclusive communication and workplace accessibility.
- AURA Rise: A holistic women development program designed to support and accelerate the growth of women professionals across levels. Grounded in real-world career challenges, the program uses targeted, lifecycle-based interventions to nurture leadership potential, strengthen retention, and enable more women to progress organically into leadership roles.



Cultivating an Inclusive Culture

Happiest Minds cultivates an inclusive culture through DEIB-focused initiatives that build awareness, strengthen leadership capability, and promote collaboration. Diversity training programs equip leaders with the skills to foster inclusive teams and create a more equitable workplace.

Women's learning and development initiatives support future-ready women leaders through programs such as Leadership Development by Jombay, DEIB Training for Returning Mothers, Functional Upskilling and Mentorship, and Technical Training for Career Advancement. The Speed Mentoring Program connects junior and mid-career professionals with industry veterans for focused guidance and career support. The program has seen strong engagement, with an average rating of 4.5/5 across cohorts.

Driving Inclusive Hiring and Career Reintegration

Happiest Minds is committed to inclusive hiring and career reintegration. Its Women Hiring Drive creates equitable opportunities for women professionals across geographies. The Rekindle Your Dreams program supports women on career breaks as they re-enter the workforce with confidence.

The Company also advanced its Veteran Inclusion initiative during the year, successfully onboarding six former Indian Armed Forces personnel across diverse business functions. This strengthened its commitment to building a workforce that reflects varied experiences, skills, and perspectives.

Supporting Parenthood Through MOM-Matter

MOM-matter is a structured and comprehensive maternity support program designed to ensure a smooth career transition for working mothers. It provides support across three phases:

Pre-Maternity

The program begins with the WOW, Wellness of Women, initiative, which supports the health and well-being of expectant mothers. Maa-Anubhav, a peer-mentoring platform, enables experienced mothers to share guidance and practical insights.

Maternity Leave

Happiest Minds offers flexible and extended maternity leave policies to provide financial security and continuity. Personalized support includes commuting assistance and mental wellness resources. The MOM-Matter WhatsApp Group helps build a supportive community through real-time interaction.

Post-Maternity

After maternity leave, the Company supports returning mothers through reskilling opportunities with Udemy licenses, Mithra Team counseling for emotional well-being, and childcare support through partnerships and in-house facilities. Flexible work options, including work-from-home and sabbaticals, help enable a smoother return to work.

Celebrating Diversity and Cultural Inclusion

Happiest Minds celebrates diversity through programs that recognize individual identities, cultural expression, and lived experiences. These initiatives help strengthen belonging while creating platforms for dialogue, visibility, and inclusion.

Key initiatives included

- AURA of Excellence - A Women Leaders Talk Series: Completed 13 episodes featuring the journeys of 40+ women leaders in technology, with domain-specific insights from Manufacturing, EduTech and Pharma.
- Café by neurodiverse individuals: A café set up at the Noida office by neurodiverse children and adults, creating opportunities for participation and visibility.
- Women Connect, "She Speaks": A platform for women members and leaders to engage, share experiences, and support one another.
- Support for neurodiverse artists: Products created by autistic children were showcased to promote inclusion and recognition.
- Women's Day Celebrations: Multi-location events recognized the achievements of women across industries.

27%

Current gender diversity ratio

12 nationalities and 27 Indian states

Represented by the Company reflecting strong cultural and regional diversity.

32% Gen Z 20-32 years

53% Millennials 33-46 years

15% Gen X and above 45+ years

Workforce reflects a balanced generational mix

Learning and Development

Learning and Development at Happiest Minds is a continuous process that builds an agile, creative, and collaborative workforce aligned with business priorities. The Company's future-ready programs equip team members with the skills, tools, and technological capabilities required for professional growth, while supporting individual aspirations and organizational goals.

Key Matrix: Business Enabling Programs

3,031

Trained - Udemy

4,487

Trained Tech

74,648

Hours Udemy

3,815

Trained - VILT

1,466

Trained PDP

1,48,295

Total Hours

4,646

Total Happiest Minds Trained

73,647

Hours VILT/ILT

28.92

Average Training Hours Per Member

113.43%

Target Achieved

25.5

Target Hours

Programs Undertaken

Happiest Minds undertakes learning programs across three key categories:

- Business Enabling Programs: Focused on technical training and professional development
- Orientation Programs: Cover Mission, Vision and Values, mindfulness, assimilation, and diversity and inclusion
- Compliance Programs: Include information security and workplace safety training

Total learning hours represent the cumulative learning hours delivered across these categories.

Training Mode

- VILT-Virtual Instructor-Led Training
- ILT-Instructor-Led Training
- E-Learning
- Online Webinars
- External Sponsored Training Events

Key Highlights of our Learning Initiatives (Technical)

Focused upskilling initiatives were implemented to address project-specific skill gaps, while targeted technical mentoring supported the growth of high-potential members. These efforts led to improved deliverables, enhanced team productivity, and increased motivation across teams.

26.86

Target learning hours achieved vs. a goal of 22.5 (FY 2025-26) (Apr'25 to Mar'26)

70%

Competency training coverage for levels C1 to C4 – the highest across all categories

67%

Track-Based Learning (i3 Initiative): A 6-month, role-based training program designed to upskill Delivery Managers, Architects & Project Managers through curated learning tracks aligned to their roles

40

Internal technical programs delivered by SMEs, totaling 15,754 learning hours

1,774

Members trained on 11 different technical training programs

18%

Billable members trained in GenAI Awareness and GitHub Copilot



PDP Highlights

Happiest Minds strengthened professional development through focused learning interventions across communication, leadership, domain capability, and behavioral skills.

- Professional Development Programs: 1,466 unique Happiest Minds were trained through project-specific and open programs on topics such as Speak Up, business communication, emotional intelligence, email etiquette, time management, data storytelling, presentation skills, and stakeholder management.
- Track-Based Learning: i3 Initiative: PROMT Batch 1 was launched for 22 Project Managers in partnership with an external reputed training partner. The 6-month program focuses on behavioral, functional, and leadership skills.
- D-Hub Domain Learning: Rolled out in collaboration with IG heads and SMEs. 58 RCL participants completed Phase 1, while 40 participants partially completed it. The Healthcare domain was also launched for 60 members, of which 30 completed the L0 level. Content development is in progress for other domains.
- LEAP Program: Conducted for CORP, C7, and C8 members across Bengaluru and Noida. 67 Happiest Minds have attended the program so far.
- Speak Up Intervention: The initiative for Team Madurai has covered 15 batches with 222 participants, including one Train-the-Trainer program. It received strong feedback, with a rating of 4.75/5.
- Women Leadership Programs: Under the AURA Rise, Achieve Initiative, 6 women leadership programs were conducted for 30 women managers on topics such as resilience and adaptability, conflict management, vision board, and personal branding. The program received an average feedback rating of 4.6/5.

Talent Acquisition

Happiest Minds' Talent Acquisition function continues to evolve into an AI-enabled and analytics-driven capability that supports faster, more informed hiring decisions. The Company remains focused on strengthening its position as an employer of choice through a differentiated talent strategy, superior candidate experience, and future-ready capability building.

Agility and Scalability in Hiring

During FY 2025–26, Happiest Minds enhanced the speed, scalability, and business alignment of hiring through agile offer processes supported by pre-approved grids, AI-driven sourcing strategies, streamlined interview structures, and strong stakeholder collaboration. These initiatives helped improve time-to-hire, hiring quality, and joining ratios.

Technology Enablement and Innovation

Technology played a key role in modernizing the Talent Acquisition operating model. As part of its phased digital transformation, the Company implemented AI-enabled platforms to improve sourcing efficiency, candidate quality, transparency, and governance across the hiring and talent demand lifecycle.

SmilesHire, the enterprise recruitment platform, went live on August 18, 2025. The platform is equipped with auto-sourcing capabilities and AI-based candidate screening. Since launch, 167 candidates have been hired through SmilesHire, accounting for 31% of direct sourcing hires, with a 94% joining ratio. This reflects strong candidate-market alignment and effective screening mechanisms.

Building on recruitment modernization, Avasara, the Talent Demand and Supply Chain Platform, was launched on March 23, 2026, under Phase 1. Avasara, meaning "Opportunity" in Sanskrit, enabled centralized talent demand creation, reduced dependency on legacy systems, and improved end-to-end visibility, governance, and reporting across talent demand and fulfillment.

Avasara integrates with HRMS, SmilesHire, Redmine, Salesforce, and Learning and Development platforms. This integrated ecosystem supports a structured skills framework, enabling data-driven workforce planning and closer alignment between business demand, talent supply, and capability development.

Equal Opportunity and Inclusion

Happiest Minds remains committed to fair, inclusive, and unbiased employment practices across all stages of hiring. Diversity metrics are monitored through quarterly dashboards and reviewed at the Executive level to strengthen transparency and accountability.

During the year,

476

women were onboarded, contributing to an overall diversity hiring ratio of

27%

Diversity and Inclusion Initiatives

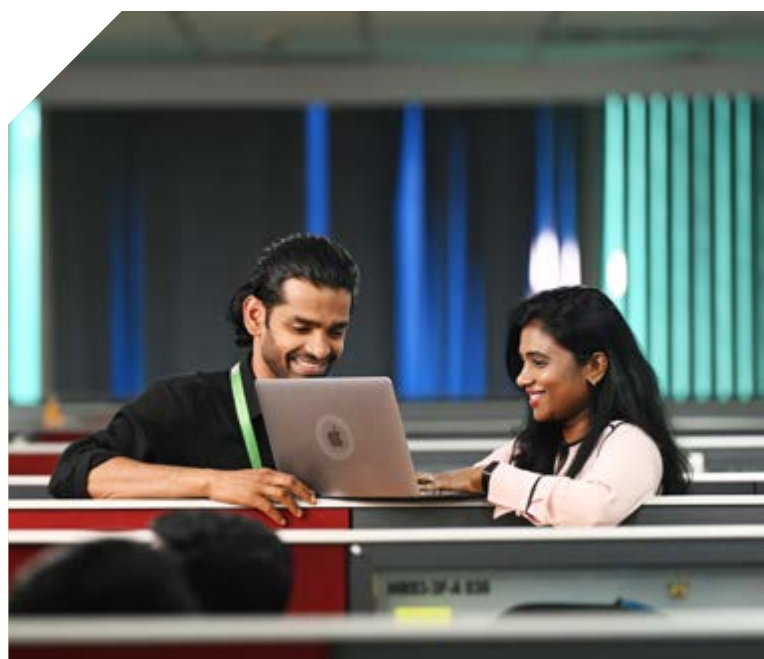
The Talent Acquisition function supported diversity goals through BU-led hiring campaigns, inclusive hiring training for recruiters and managers, focused leadership diversity hiring, and a simplified boomerang hiring program that enables former Happiest Minds to rejoin through a fast-tracked process.

Future-Ready Talent Acquisition

Happiest Minds' hiring strategy remains focused on building future-ready capabilities across emerging technology areas such as AI, cloud computing, cybersecurity, and data science. Internal mobility and upskilling initiatives are actively promoted, complemented by strategic lateral and leadership hiring.

Key Talent Acquisition Highlights

- Global hiring presence across approximately 17 countries
- Talent Acquisition teams operating from 8 global locations
- All campus offers were honored
- 50 leadership hires completed during the year
- Incentive-linked performance metrics introduced for TA teams
- Unified global referral policy implemented



Social - Customers

Customers are among our most valued stakeholders, and our commitment to them extends well beyond the scope of individual project engagements. At Happiest Minds, every strategy, investment, and initiative is ultimately oriented toward creating meaningful, lasting value for the organizations we serve.

As an 'AI First. Agile Always.' company, we are uniquely positioned to help customers not just respond to change but lead through it. In a business environment defined by rapid technological disruption, the transformative rise of artificial intelligence, and persistent economic pressures, our role as a trusted partner has never been more purposeful. We stand alongside our customers through evolving times, equipping them with the capabilities, insights, and agility they need to stay ahead.

8.03/9

Customer Happiness Score
FY 2025-26

68

Net Promoter Score
FY 2025-26

100%

Grievances
Resolved within Time
Zero pending at year-end

Customer-First Approach

Our customer-first philosophy is the organizing principle behind how we build teams, design solutions, and measure success. Every touchpoint is crafted to reinforce trust, responsiveness, and a genuine commitment to the customer's long-term interests.

- **Proactive Engagement:** Senior leadership oversight of strategic accounts ensures accountability and continuity.
- **Executive Sponsorship:** Each strategic customer is assigned a Senior Executive Sponsor, providing direct access to the highest levels of the organization.
- **Co-Innovation Mindset:** We engage customers as collaborative partners, ideating and co-creating solutions tailored to their specific business context.
- **Transparency & Accountability:** Open, honest communication on progress, risks, and outcomes builds the foundation of enduring partnerships.

Supporting Customers in Evolving Times

The business environment our customers operate in is changing faster than ever. The rapid mainstreaming of AI, shifting macroeconomic conditions, tightening regulatory landscapes, and persistent pressure to do

more with less, all demand a technology partner that is adaptive, not just capable.

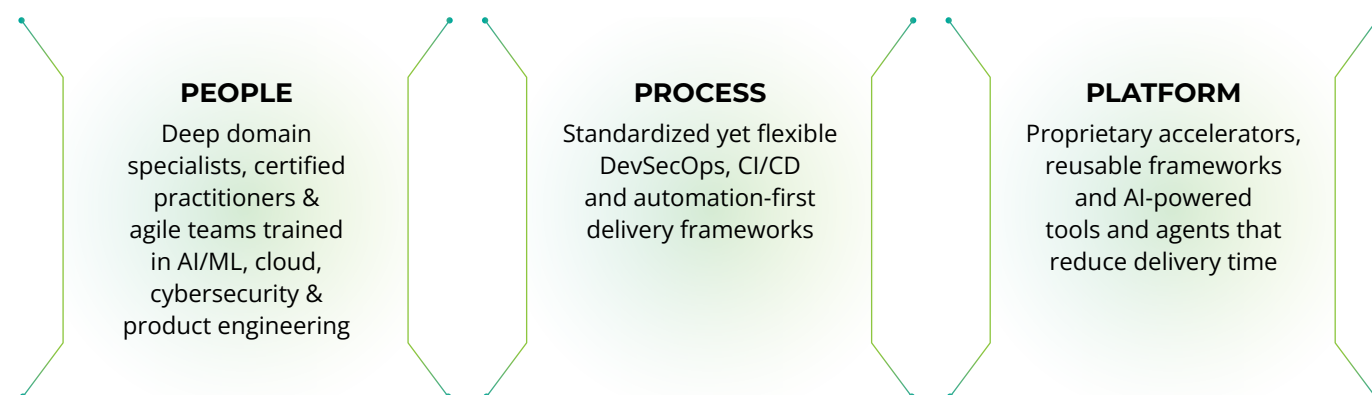
Our 'AI First. Agile Always.' positioning means we are built for exactly this moment. We help our customers:

- **Harness the Power of AI:** Moving beyond experimentation to real-world deployment of AI and Generative AI solutions that drive productivity and unlock new revenue streams.
- **Build Organizational Resilience:** Designing architectures and operating models flexible enough to absorb disruption and agile enough to capitalize on emerging opportunities.
- **Accelerate Time-to-Value:** Through lean, iterative delivery models that reduce risk and bring outcomes to life faster in an environment where speed of adaptation is a strategic advantage.
- **Navigate Regulatory Complexity:** Supporting customers across BFSI, healthcare, and retail in staying ahead of evolving data privacy, cybersecurity, and sector-specific compliance requirements.
- **Optimize Costs While Sustaining Innovation:** Helping customers rationalize legacy estates, migrate to cloud, and automate processes to free up capital for growth-oriented investments.

Value Proposition Through Integrated Delivery

Integrated Delivery Approach

Our integrated delivery model brings together cross-functional expertise, global delivery capabilities, and modern engineering practices to ensure consistent, high-quality outcomes at scale. Delivery centers in India, with onshore presence across the US, UK, Canada, and Australia, enable a follow-the-sun model that maximizes responsiveness and minimize risk.



Customer Value Creation Life Cycle

We engage customers through a structured, end-to-end life cycle that ensures every engagement moves from insight to impact:

1. **Discover** – Structured assessments and workshops to deeply understand business goals, pain points, and transformation aspirations.
2. **Design** – Tailored solution blueprints and technology roadmaps aligned to desired business outcomes.
3. **Deliver** – Agile, milestone-driven execution with continuous feedback loops and transparent progress reporting.
4. **Sustain** – Managed services, performance monitoring, and proactive optimization to protect and grow value delivered.
5. **Evolve** – Ongoing strategic advisory and innovation scouting to ensure customers remain competitive as conditions shift.

Satisfaction Surveys

Customer satisfaction is a non-negotiable metric at Happiest Minds. We conduct structured Customer Happiness Surveys annually across almost all active engagements.

Apart from this, we have process of project end feedback and regular engagement feedback at planned intervals. Feedback is captured across delivery quality, responsiveness, communication, proactiveness, and overall partnership experience. Survey findings are reviewed at account level, with action plans tracked to closure, and aggregate insights presented to senior leadership each quarter.

Management Systems

Quality is embedded in our delivery culture and governance. We operate under a comprehensive Management Systems certified to internationally recognized standards:

- **ISO 9001:2015:** Quality Management System
- **ISO 27701:2019:** Privacy Information Management System
- **ISO 27001:2022:** Information Security Management System
- **CREST:** Penetration Testing Operating in EMEA
- **ISO 20000-1:2018:** Service Management System

Our framework includes defined SLAs and KPIs with real-time dashboards, formal Root Cause Analysis (RCA) and Corrective & Preventive Action (CAPA) processes, periodic independent quality audits, and a Delivery Excellence Review process for large programs.

Customer Relationship Management

Strong relationships are the foundation of sustainable partnerships. Our CRM approach is designed to nurture deep, multi-level relationships that extend well beyond any single engagement.

- **Customer Success Managers:** Dedicated CSMs serve as primary relationship stewards for strategic accounts, ensuring seamless coordination across delivery and service lines and geographies.
- **Executive Sponsorship:** Each strategic customer has a Senior Executive Sponsor from our leadership team, reinforcing the importance we place on the relationship.
- **Structured Business Reviews:** Regular Business reviews which includes Monthly (MBRs), Quarterly Business Reviews (QBRs) and Annual Business Reviews (ABRs) provide structured forums for performance review and forward-looking co-planning.
- **CRM Platform:** An enterprise-grade CRM platform tracks all interactions, manages escalations, and monitors satisfaction trends ensuring no customer signal goes unaddressed.
- **Voice of the Customer (VoC):** Beyond formal surveys, informal feedback is actively captured through cadence calls, account reviews, and industry events.

Grievance Management

Happiest Minds ensures that customer concerns are addressed promptly, fairly, and with full accountability through a structured Grievance Management Framework.

- **Defined Escalation Matrix:** A clearly structured escalation hierarchy from Delivery Leads through Business Unit Heads to the Executive Leadership Team, ensures no concern remains unresolved.
- **Turnaround Commitments:** All grievances are acknowledged and resolved within committed timelines, with progress communicated at each step.
- **Root Cause & Recurrence Prevention:** Every significant grievance undergoes formal RCA, with learnings incorporated into process improvement plans and shared with relevant delivery teams.
- **Annual Grievance Review:** Aggregate grievance data is reviewed at senior leadership level annually to identify systemic patterns and drive structural improvements.
- **No-Fault Escalation Culture:** We actively encourage customers to raise concerns early, fostering a culture where issues are seen as opportunities for improvement.

In FY 2025-26, 16 formal grievances were received, of which 100% were resolved within committed timelines.



SOCIAL – SUPPLY CHAIN

Agile Supply Chains for Responsible Futures

Happiest Minds regards supplier relationships as strategic partnerships that strengthen business integrity, operational resilience, and social responsibility. Its framework emphasizes ethical conduct, inclusive economic development, and continuous improvement across all tiers of the value chain.



Policy and Code of Conduct

Happiest Minds' Supply Chain Policy and Supplier Code of Conduct define the ethical, legal, and sustainability standards expected from all suppliers. Suppliers are required to acknowledge and comply with the Code as a condition of doing business with the Company. Compliance is monitored through risk-based assessments, standard procurement protocols, and ongoing engagement.

Key Policy Principles

- Respect for human rights and labor standards, including fair wages, non-discrimination, and prohibition of forced and child labor
- Commitment to occupational health and safety

- Environmental stewardship and compliance with applicable regulations
- Ethical business conduct, including anti-corruption practices
- Compliance with applicable laws and transparent operations

Procurement Practices and Local Procurement

Happiest Minds' procurement practices are guided by fairness, transparency, and value creation across the supply chain. ESG considerations are integrated into supplier selection and evaluation processes to strengthen responsible sourcing and long-term resilience.

During FY 2025-26, the Company strengthened its focus on local procurement by engaging regional vendors and MSMEs to support inclusive growth and reduce supply chain risks. It also adopted credit card-based purchases for urgent procurement needs to meet project commitments in a timely manner.

Supplier Audits, Assessments and Outcomes

As part of its efforts to strengthen supply chain resilience and sustainability, Happiest Minds is evaluating the introduction of a supplier audit framework for future reporting periods.

Formal supplier audits or assessments were not conducted during the reporting period. However, the Company continued to engage suppliers through standard procurement protocols and contractual compliance measures. It is further enhancing its supplier engagement model, with planned initiatives around supplier training and audits. These efforts will focus on improving compliance awareness, promoting ethical sourcing, and enabling digital collaboration with key partners.

Supplier Capacity Building

Happiest Minds is committed to building strong, transparent, and compliant supplier partnerships from the outset. All suppliers undergo a structured onboarding process that includes the submission and verification of key business and compliance documents, including bank account details, Certificate of Incorporation, GST registration, MSME certification, where applicable, and a formal escalation matrix. This process helps ensure that suppliers meet regulatory, operational, and communication standards before engagement.

Supplier data is maintained in a centralized system to support seamless communication, traceability, and documentation. Happiest Minds also prioritizes MSME-certified suppliers to promote local and inclusive economic development.

The Company has implemented a vendor portal through Zoho, enabling supplier onboarding and empanelment through a digital platform. This has reduced manual intervention and strengthened process efficiency, transparency, and record management.

In the coming year, Happiest Minds plans to explore supplier training modules and self-assessment tools to further strengthen compliance, performance, and responsible sourcing practices.

Support for Performance Improvement

Formal supplier performance improvement programs were not implemented during the reporting period. However, Happiest Minds remains committed to enhancing supplier engagement and recognizes the importance of supporting suppliers in meeting compliance expectations and improving long-term operational and sustainability performance.

Initiatives Planned

- Exploring digital platforms for centralized documentation and compliance tracking
- Establishing structured feedback mechanisms to enhance accountability
- Identifying opportunities for knowledge-sharing and training
- Developing support frameworks aligned with ESG goals

These efforts reflect the Company's long-term goal of building a responsible, high-performing supplier network that supports its sustainability commitments and broader business objectives.

Supplier ESG Performance Monitoring

Happiest Minds recognizes the growing importance of embedding ESG considerations into supply chain management and is actively working to strengthen its approach. Formal Key Performance Indicators to track suppliers' ESG performance are yet to be implemented.

In upcoming reporting periods, the Company plans to develop and roll out a comprehensive set of Supplier ESG KPIs. These indicators will support the assessment and improvement of supplier sustainability practices, ethical conduct, and governance standards, while ensuring alignment with Happiest Minds' overall ESG strategy.

The Company will continue to engage suppliers through existing procurement and compliance processes, while exploring ways to integrate measurable and actionable ESG metrics across the supply chain. Its goal is to establish a robust supplier ESG framework in the near future.

GOVERNANCE

Trust First. Responsibility Always.

Governance at Happiest Minds forms the foundation of responsible business conduct and long-term value creation. The governance framework is designed to uphold ethical leadership, transparency, accountability, and regulatory compliance, while staying aligned with the Company's purpose of 'Happiest People . Happiest Customers'.

Governance is embedded across strategy, operations, risk management, and people practices. This enables consistent decision-making and reinforces ethical and responsible conduct across the organization. The Board of Directors provides oversight, while senior leadership regularly updates the Board on governance matters, emerging risks, regulatory changes, and stakeholder concerns.

Disclaimer: This image is generated by Artificial Intelligence

Scaling Key Accounts

1. Board Effectiveness and Diversity

The Board provides strategic direction and independent oversight through diverse skills, experience, and perspectives. Regular Board and committee reviews strengthen governance effectiveness and informed decision-making.

6. Governance Review and Alignment

Happiest Minds periodically reviews governance practices to ensure continued alignment with business priorities and stakeholder expectations as key accounts scale.

2. Transparency and Disclosures

Happiest Minds upholds transparency through timely, accurate, and responsible disclosures, supported by structured internal reviews and digital governance processes. Paperless meeting platforms enable efficient documentation, secure information sharing, and smooth compliance for governance meetings.

5. Customer Experience and Service Consistency

Happiest Minds focuses on consistent service quality through defined processes, feedback mechanisms, and continuous improvement initiatives, supporting long-term customer relationships as accounts scale.

3. Stakeholder Engagement and Trust

Happiest Minds engages with Members, customers, investors, and partners through structured dialogue and feedback mechanisms. These insights support continuous improvement and strengthen long-term relationships.

4. Corporate Strategy and Compliance

Governance is built on integrity, accountability, and stakeholder trust. Happiest Minds integrates ESG into operations and ensures compliance through a RegTech tool, with quarterly Board reviews.

Governance and Ethics

Happiest Minds has developed and implemented policies aligned with its Code of Conduct. These policies define standards for ethical behavior, professional integrity, confidentiality, conflict-of-interest management, and compliance with applicable laws and regulations.

Anti-Bribery and Anti-Corruption

Happiest Minds follows a zero-tolerance approach toward bribery, corruption, fraud, and unethical business practices. Its Integrity Policy prohibits improper influence, facilitation payments, and unethical advantages. All members and consultants are expected to comply with applicable anti-corruption laws and internal policies.

Whistle-Blower Framework and Grievance Redressal

Happiest Minds promotes an open speak-up culture where concerns can be raised without fear of retaliation. Its Whistle-Blower Policy provides a confidential mechanism for reporting violations. WE HEAR, the Company's central reporting platform, ensures timely acknowledgment and resolution of concerns. Matters may be escalated to senior leadership, the Executive Board, or the Executive Chairman, where required. Open forums such as Just Ask, Ask EB, and Ask Ashok further reinforce transparency.

Safe, Respectful, and Inclusive Workplace

Happiest Minds is committed to maintaining a safe, inclusive, and discrimination-free workplace. Its Disciplinary Policy ensures fair and consistent handling of misconduct. Prevention of sexual harassment is addressed through a PoSH-compliant framework supported by an Internal Committee, awareness initiatives, and training programs.

Health, Safety, and Employee Well-Being

Employee health and safety are integral to Happiest Minds' governance framework. Its Health and Safety Policy focuses on preventive measures, risk identification, statutory compliance, and continuous improvement, supported through collaboration between management and Happiest Minds.

Human Rights and Ethical Labor Practices

Happiest Minds is committed to upholding human rights and ethical labor practices across its operations. The Company stands firmly against forced labor, child labor, and modern slavery while promoting dignity, fairness, and non-discrimination.

Responsible Value Chain and Vendor Governance

Happiest Minds extends its ethical expectations to partners and vendors through the Vendors' Code of Conduct. The Code defines standards for ethical behavior, human rights, non-discrimination, and workplace safety, reinforcing responsible practices across the value chain.

Business Continuity Plan (BCP)

Happiest Minds maintains a Business Continuity Plan (BCP) to ensure operational continuity and minimize disruption during unforeseen events. The framework is designed to safeguard members, protect critical systems and information, and support continued service delivery.

The BCP ensures continuity of critical services, including network and technology services. It is supported by cloud-based infrastructure, enabling members to continue operations using Company-provided laptops and secure access through cloud firewalls and configured threat protection mechanisms. This allows members to work securely through available internet connectivity while maintaining service continuity.

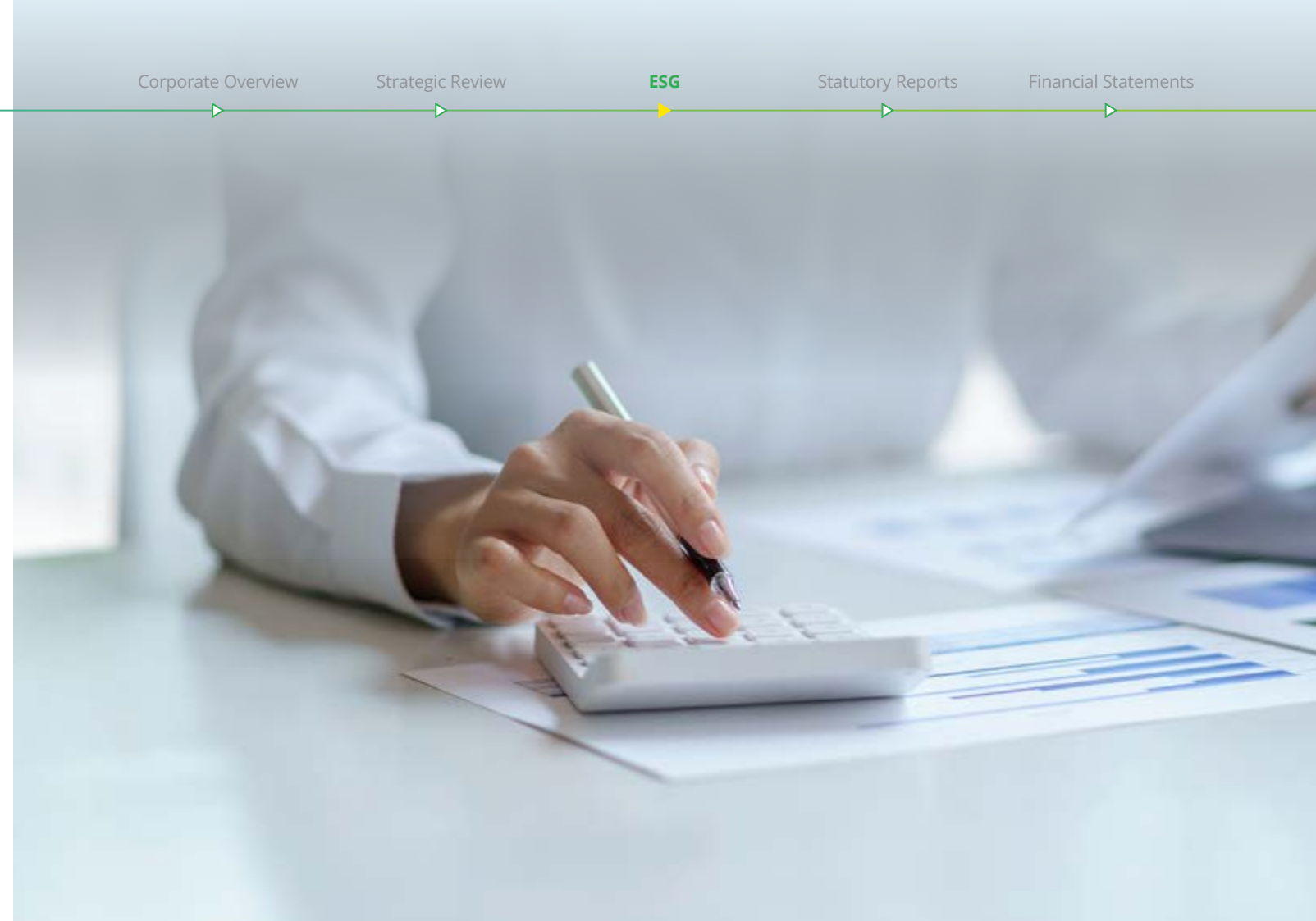
Key elements of the Business Continuity Framework include:

Identification of critical business processes and assets

Business impact assessment to evaluate potential disruptions

Disaster recovery and system restoration arrangements

Periodic testing and review to enhance preparedness



Tax Governance and Strategy

Happiest Minds follows a responsible and compliant approach to taxation, aligned with its governance framework and applicable laws and regulations. Tax governance forms an integral part of corporate governance and supports transparency, risk management, and sustainable business operations.

The Company seeks to comply with tax laws in all jurisdictions where it operates and manages its tax affairs in accordance with both the letter and spirit of the law. Tax matters are evaluated with due diligence and are subject to established internal review processes. The Company also monitors changes in tax legislation and regulatory developments on an ongoing basis and assesses their implications in a timely manner.

Tax-related risks are managed prudently through appropriate controls and documentation, with an emphasis on ethical conduct and responsible corporate citizenship.

Data Privacy and Security

Happiest Minds continues to strengthen its Information Security and Privacy posture through a risk-driven and compliance-aligned approach that addresses evolving cyber threats and regulatory expectations. Its integrated framework combines strong governance, advanced security controls, and continuous monitoring to safeguard stakeholder data and ensure business resilience.

The Company operates a mature Information Security Management System (ISMS) aligned with ISO 27001 and a Privacy Information Management System (PIMS) aligned with ISO 27701. Both frameworks are independently audited annually and help institutionalize standardized security and privacy practices across the organization.

During FY 2025-26, Happiest Minds further enhanced its capabilities by strengthening security architecture, advancing Zero Trust adoption, improving cloud and application security controls, and expanding data protection measures to prevent unauthorized access and data leakage.



Privacy Governance and Compliance

Happiest Minds' privacy program is designed to ensure compliance with global data protection regulations, including India's Digital Personal Data Protection Act, 2023 (DPDPA). Supported by established controls and processes, the Company is well-positioned to meet evolving regulatory requirements.

Key elements of our privacy governance framework include:

Appointment of a Data Protection Officer (DPO) to oversee privacy compliance and governance

Periodic Data Privacy Impact Assessments (DPIAs) for high-risk processing activities

Comprehensive Data Processing Agreements (DPAs) with third-party processors

Defined data breach response and notification mechanisms

Organization-wide privacy training and awareness programs

Publication and periodic updates of privacy policies

Key Capabilities of the Integrated Information Security and Privacy System

Happiest Minds has built a comprehensive and scalable Information Security and Privacy System to protect data across its lifecycle and uphold stakeholder trust.

Data Inventory and Governance

The Company maintains structured data inventories and data flow mappings to ensure visibility, accuracy, and accountability of personal information across systems and processes.

Vendor Risk Management

Third-party vendors undergo security and privacy risk assessments before onboarding and are subject to periodic reviews to ensure alignment with the Company's security and compliance requirements.

Data Subject Rights Management

Transparent mechanisms enable individuals to exercise their rights, including access, correction, deletion, and consent management, in line with applicable regulations.

Secure-by-Design Approach

Privacy and security principles, including Privacy by Design and Privacy by Default, are embedded into the software development lifecycle to support proactive risk mitigation.

Data Security and Protection

Layered security controls reinforce the Company's infrastructure to prevent unauthorized access, data breaches, and leakage, while integrating privacy into enterprise security practices.

Oversight and Continuous Monitoring

Regular internal and external audits assess control effectiveness. Advanced technologies, governance frameworks, and continuous improvement practices strengthen data protection and response to emerging risks. Capabilities have also been enhanced through network segmentation, Zero Trust architecture migration, advanced cloud and application security protocols, and stringent data leakage prevention measures.

Continuous Improvement and Future Focus

Happiest Minds remains committed to continuously evolving its security and privacy capabilities. Focus areas include strengthening Zero Trust Architecture, enhancing threat detection and response capabilities, expanding privacy automation, and aligning with emerging global regulatory frameworks.

Board of Directors



Ashok Soota
Chairman & Chief Mentor
M M



Anita Ramachandran
Independent Director
M C C M M



Joseph Anantharaju
Co-Chairman & CEO
M M M



Mittu Sridhara
Independent Director
M M C



Rajendra Srivastava
Lead Independent Director
M M M C C



Shuba Rao Mayya
Independent Director
C M C M



Venkatraman Narayanan
Managing Director
M M M M M

Board Committees

- Audit
- Nomination, Remuneration & Board Governance
- Corporate Social Responsibility
- Administrative and Stakeholders Relationship
- Risk Management
- Strategic Initiatives
- C Chairperson
- C Co-Chairperson
- M Members

Executive Leadership & CEOs



Anand Balakrishnan
Chief Financial Officer



Prathamesh Kulkarni
CEO - BFSI, Healthcare & Life Sciences, and Retail & CPG



Praveen RP
Co-CEO, GBS



Preeti Menon
COO, PDES



Ram Mohan C
CEO, Infrastructure Management & Security Services (IMSS)



Rohit Mathur
CEO - HiTech, EdTech & Industrial



Sridhar Mantha
CEO, Generative AI Business Services (GBS)

Senior Management



Dr. Anand Veeramani

Geo Head Middle East and
Sales Head IMSS India



Balasubramanian K

IG Head: Hi-Tech, Media & ISV



Dinesh Ramachandran

Sales Head ANZ and Head -
Strategic Alliances



Ritesh Gupta

Chief Technology Officer



Sachin Khurana

Chief People Officer (CPO)



Sajith S Kumar

Chief Information Officer



Isaac George

Geo Head and Sales Head –
PDES, UK & Europe



Jaganath Ram Shankar

Head of Cloud &
Infrastructure Services, IMSS



Maninder Singh

Chief Growth Officer, PDES



Srinivas Iyengar

IG Head: Healthcare
& Life Sciences



Subhasis Bandyopadhyay

IG Head: Banking, Financial
Services, & Insurance



Suresh Chettur

CoE Head - Digital Process
Automation (DPA)



Poornima Bethmangalkar

IG Head: Industrial, Manufacturing,
Energy & Utilities



Praveen Kumar Darshankar

Head of Legal, Company Secretary and
Compliance Officer



Priya Prasad

IG Head: Retail, CPG & Logistics



Suresh Kanniappan

Sales Head, IMSS, US



Sundar Ramaswamy

CoE Head - AI/Analytics



Vandana Singal

Pre-Sales Head, PDES



Raja Sekher

Head - Engineering &
Business Excellence



Rajesh Chandran Sogasu

Head - Talent Acquisition and L&D



Vijay Bharti

Chief Information Security Officer



Vivek Manu

Head - Practices, PDES

GRI Content Index

GRI Standard	Disclosure	Pg-IAR
GRI 302: Energy 2016	302-1 Energy consumption within the organization	48, 81, 83, 85, 215
	302-2 Energy consumption outside of the organization	48, 215
	302-3 Energy intensity	215
	302-4 Reduction of energy consumption	79, 81, 85
GRI 303: Water and Effluents 2018	303-2 Management of water discharge-related impacts	81, 216
	303-3 Water withdrawal	219
	303-4 Water discharge	219
	303-5 Water consumption	48, 83, 219
GRI 304: Biodiversity 2016	304-1 Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	67, 191, 192, 219
	304-2 Significant impacts of activities, products and services on biodiversity	67, 79, 81, 86, 219, 220
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	83, 217
	305-2 Energy indirect (Scope 2) GHG emissions	83, 217
	305-3 Other indirect (Scope 3) GHG emissions	83, 219
	305-4 GHG emissions intensity	217, 219
	305-6 Emissions of ozone-depleting substances (ODS)	217
	305-7 Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	83, 217
GRI 306: Waste 2020	306-1 Waste generation and significant waste-related impacts	79, 81, 82, 85, 218, 219
	306-2 Management of significant waste-related impacts	218
	306-3 Waste generated	218
	306-4 Waste diverted from disposal	218
	306-5 Waste directed to disposal	218
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	89, 189
	401-2 Benefits provided to full-time members that are not provided to temporary or part-time members	205, 206
	401-3 Parental leave	206
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	208
	403-2 Hazard identification, risk assessment, and incident investigation	208
	403-3 Occupational health services	208
	403-9 Work-related injuries	208
	403-10 Work-related ill health	209
GRI 404: Training and Education 2016	404-1 Average hours of training per year per member	48, 104, 105
	404-2 Programs for upgrading employee skills and transition assistance programs	104, 105
	404-3 Percentage of members receiving regular performance and career development reviews	90, 207
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and team members	102-104, 188, 189
	405-2 Ratio of basic salary and remuneration of women to men	213
GRI 406: Non-discrimination 2016	406-1 Incidents of discrimination and corrective actions taken	213, 214
GRI 408: Child Labor 2016	408-1 Operations and suppliers at significant risk for incidents of child labor	86, 110, 114, 214, 215
GRI 409: Forced or Compulsory Labor 2016	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor	86, 110, 111, 214, 215
GRI 418: Customer Privacy 2016	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	224

BOARD'S REPORT

Dear Members,

Your Directors take pleasure in presenting the Fifteenth Annual Report covering the highlights of the finances, business and operations of your Company. Also included herein are the Audited Financial Statements of the Company (standalone and consolidated) prepared in compliance with Ind AS Accounting Standards, for the financial year ended March 31, 2026.

Highlights of Financial Performance

Description	Standalone		Consolidated	
	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025
Revenue from Operations	1,72,062	1,59,407	2,31,511	2,06,084
Other Income	17,513	13,690	8,497	10,138
Total Income	1,90,115	1,73,097	2,40,008	2,16,222
Employee benefits expense	1,19,254	1,08,937	1,56,095	1,36,534
Depreciation and amortization	5,114	5,053	8,819	8,870
Finance cost	9,223	9,113	9,736	9,948
Other expenses	27,452	26,910	35,078	34,108
Total expenses	1,61,043	1,50,013	2,09,728	1,89,460
Profit / (Loss) before Exceptional Items and Tax	29,072	23,084	30,280	26,762
Exceptional (Income) / Expense	2,041	2344	1,859	1,216
Profit / (Loss) before Tax	27,031	20,740	28,421	25,546
Tax expense	4,619	5,197	7,159	7,080
Profit / (Loss) after Tax	22,412	15,543	21,262	18,466
Earnings per share (₹ Basic)	14.88	10.32	14.12	12.26
Earnings per share (₹ Diluted)	14.87	10.32	14.11	12.26
Net Worth as per Section 2(57) of the Companies Act, 2013	1,66,062	1,52,640	1,70,443	1,58,070

Note: Previous year's figures have been regrouped/reclassified wherever necessary to correspond with the current year's classification/disclosure.

A detailed analysis of the financials and business performance of the Company during the year under review is provided below.

Management Discussion and Analysis

Management Discussion and Analysis as required under Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") is provided separately in the Annual Report.

Dividend & Transfer to Reserves

Your Company's policy on Dividend Distribution is available at <https://www.happiestminds.com/investors/policy-documents/>.

In accordance with the said policy, your Directors declared an interim dividend of ₹2.75/- per equity share in the Board meeting held on October 28, 2025, and are pleased to recommend a final dividend of ₹3.65/- per equity share for the financial year ended March 31, 2026, i.e., the total dividend for the current financial year under review being ₹6.40/- per equity share (previous financial year - ₹6/- per equity share). If the above recommendation is accepted by the Members of the Company at the ensuing Annual General Meeting, the total outflow on this account will be ₹9,745.59 lakhs.

Your Directors do not propose to transfer any amounts to the general reserves of the Company, instead have recommended to retain the entire profits for the financial year ended March 31, 2026, in the profit and loss account.

Your Company did not have any amounts due or outstanding as of the Balance Sheet date to be credited to the Investor Education and Protection Fund.

Mergers & Acquisitions

The Company continues to pursue a strategic and disciplined M&A program aligned with its long-term growth objectives, overseen by an Investment Committee comprising two Executive Directors. The Company follows a programmatic approach, selectively evaluating opportunities that enhance strategic relevance, add scale, and strengthen its ability to deliver differentiated digital solutions.

The current M&A priorities remain focused on:

- Strengthening our geographical presence across the United States, Europe, and the Middle East
- Deepening our presence across key industry groups, including Retail & Consumer Packaged Goods (CPG), Travel, Media & Entertainment (TME), and Industrial & Manufacturing.
- Expanding the breadth of our technology capabilities across areas such as Cloud, Cybersecurity, Data & AI (including Snowflake/Databricks), ServiceNow, Salesforce, and adjacent enterprise platforms such as SAP S/4HANA.
- Strengthening global alliances and partnerships across leading platforms including Microsoft®, ServiceNow®, and Salesforce®

During the year under review, the Company focused on consolidation and value realization from acquisitions completed in the previous fiscal. The integration of PureSoftware Technologies Private Limited and Aureus Tech Systems LLC was successfully completed, with both entities now fully aligned with the Company's operating model, governance framework, and go-to-market strategy. Additionally, the integration of the Middle East business acquired from GAVS Technologies progressed well during the year, strengthening the Company's regional presence and providing a robust platform for growth across key markets in the region.

The Company remains committed to a disciplined, strategy-led acquisition approach, with a continued focus on enhancing capabilities, expanding market access, and driving sustainable long-term value creation.

Subsidiary Companies

During the year under review, your Company has 17 subsidiaries (including step-down subsidiaries) as mentioned below:

Subsidiary	Country	Step-down Subsidiary	Country
Happiest Minds Inc.	USA	Aureus Tech Systems Canada Ltd	Canada
Sri Mookambika Infosolutions Private Limited ¹	India	—	—
Happiest Minds Edutech Private Limited ²	India	—	—
Aureus Tech Systems Private Limited	India	—	—
PureSoftware Technologies Private Limited ³	India	PureSoftware Pte Limited	Singapore
		PureSoftware Africa Limited	Kenya
		PureSoftware Private Limited	UK
		PureSoftware Technologies Romania SRL	Romania
		PureSoftware Corp	USA
		PureSoftware Technology S. De.R.L. De. C.V.	Mexico
		PureSoftware Sdn. Bhd.	Malaysia
InnovazIT Technologies LLC	Dubai, UAE	PureSoftware HK Limited	Hong Kong
		—	—
Gavs Technologies LLC	Oman	—	—
Gavs Technologies Saudi Arabia for Telecommunications and Information Technology	Saudi Arabia	—	—

¹ Scheme of amalgamation between Sri Mookambika Infosolutions Private Limited with Happiest Minds Technologies Limited has been approved and sanctioned by the Hon'ble National Company Law Tribunal ('NCLT') Bengaluru Bench on September 25, 2025.

² Scheme of amalgamation between Happiest Minds Edutech Private Limited with Happiest Minds Technologies Limited has been approved and sanctioned by the Hon'ble National Company Law Tribunal ('NCLT') Bengaluru Bench on September 22, 2025.

³ Scheme of amalgamation between PureSoftware Technologies Private Limited with Happiest Minds Technologies Limited has been approved and sanctioned by the Hon'ble National Company Law Tribunal ('NCLT') Bengaluru Bench on May 29, 2026

The statement under Section 129(3) of the Companies Act, 2013 in respect of the subsidiaries in Form AOC-1 is attached as Annexure I. The Consolidated Accounts of your Company duly audited by the Statutory Auditors are presented as part of this Report.

The financial statements together with related information and other reports of the subsidiaries are available on the website at <https://www.happiestminds.com/investors/>

Your Company's policy on material subsidiary is also available on the website at <https://www.happiestminds.com/investors/policy-documents/>

Recognitions

Please refer to pages 50-51 of the Integrated Annual Report of 2025-26.

Share Capital and Debentures

During the year under review, your Company did not issue any shares. The paid-up equity share capital as on March 31, 2026, was ₹30,45,49,622/- consisting of 15,22,74,811 equity shares of ₹2/- each.

During the year under review, your Company did not issue any Debentures.

Your Company has not issued shares with differential voting rights and sweat equity shares during the year under review.

Directors and Key Managerial Personnel

As on March 31, 2026, the Board of Directors of your Company comprised of seven Directors, viz., three Executive Directors and four Independent Directors including two women Independent Directors. As per the Articles of Association of the Company, one third of the Directors (other than Independent Directors) are liable to retire by rotation at the Annual General Meeting ("AGM") of the Company, every year. Mr. Joseph Vinod Kumar Anantharaju (DIN: 08859640) retires by rotation at the ensuing 15th AGM and being eligible, offers himself for re-appointment.

Mr. Ashok Soota (DIN 00145962-Chairman & Chief Mentor), Mr. Joseph Anantharaju (DIN 08859640-Co-Chairman & CEO), and Mr. Venkatraman Narayanan (DIN 01856347-Managing Director) are Executive Directors on the Board.

Mr. Anand Balakrishnan was appointed Chief Financial Officer, with effect from June 12, 2025, and Mr. Rajiv Shah (DIN:06752608) ceased to be Director of the Company with effect from closure of business hours on December 31, 2025.

Ms. Anita Ramachandran (DIN 00118188), Mr. Rajendra Kumar Srivastava (DIN 07500741), Ms. Shuba Rao Mayya (DIN No. 08193276) and Mr. Mittu Sridhara (DIN 09247644) are the Independent Directors on our Board with Mr. Rajendra Kumar Srivastava designated as "Lead Independent Director". Pursuant to the provisions of Section 149 of the Companies Act, 2013 the Independent Directors have submitted declarations that each of them meets the criteria of independence as provided in Section 149(6) of the Companies Act, 2013 along with the Rules framed thereunder and Regulation 16(1)(b) of the Listing Regulations. There has been no change in circumstances affecting their status to act as Independent Directors of the Company. In the opinion of the Board, our Independent Directors possess requisite integrity, experience, expertise, and proficiency required in relation to the discharge of their duties.

Policy on Nomination and Remuneration of Directors

This policy on the nomination and remuneration of Directors, Key Managerial Personnel and Senior Management Personnel has been formulated by the Nomination, Remuneration and Board Governance Committee and approved by the Board of Directors of the Company. The policy is guided by the principles and objectives as enumerated under the provisions of the Companies Act, 2013 and the Listing Regulations, to ensure reasonableness and sufficiency of remuneration to attract, retain and motivate competent resources, a clear relationship of remuneration to performance and a balance between rewarding short and long-term performance of the Company. A copy of the policy is uploaded on the Company's website at <https://www.happiestminds.com/investors/policy-documents/>.

We confirm that the remuneration paid to Directors, Key Managerial Personnel and Senior Management Personnel is in accordance with the said policy. Statement of Disclosure of Remuneration under Section 197 of Companies Act, 2013 and Rule 5(1) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is attached to this report as Annexure II.

None of our Executive Directors were in receipt of any commission from the Company or any remuneration from the subsidiaries of the Company.

Familiarization Program for Independent Directors

The Company has in place a familiarization program for its Independent Directors. Objective of the program is to familiarize Independent Directors with the business of the Company, industry, operating model, risks, opportunities, challenges etc. The various programs we have in place in this regard includes interaction with subject matter experts within the Company, meetings with our business leaders and functional heads on a regular basis.

The familiarization program and other disclosures as specified under the Listing Regulations is available on the Company's website at https://www.happiestminds.com/investors/disclosure/Details-of-Familiarization-Programme_FY-26.pdf

Board Evaluation

The Nomination, Remuneration and Board Governance Committee of the Company has reviewed and approved the evaluation criteria for the evaluation of the members of the Board of Directors of the Company. Criteria for evaluation are broadly based on SEBI's Guidance Note on Board Evaluation. The evaluation covers the Board as a whole, Committees of the Board, each individual Director and the Chairman and are around on the Board's composition and accountability, their role in helping set strategies, effectiveness of Board Committees, and performance of each individual member, and the Chairman.

During the year under review, a detailed questionnaire was circulated to all the members of the Board in confidential manner and based on responses, a detailed report was presented to the Board. Management has taken note of all the suggested action plans and have put in place appropriate implementation plans.

Committees of the Board

The details of the powers, functions, composition, and meetings of the Committees of the Board held during the year are given in the Report on Corporate Governance section forming part of the Annual Report.

Board Meetings

The Board of Directors of the Company met nine times during the year under review. The details of these Board Meetings are provided in the Corporate Governance section forming part of the Annual Report. The necessary quorum was present for all the meetings. The maximum interval between any two meetings did not exceed 120 days.

Corporate Governance

Your Company has taken adequate steps to adhere to all the stipulations laid down in the Listing Regulations. A report on Corporate Governance is disclosed separately in the Annual Report.

A Certificate from M/s. V Sreedharan & Associates, a firm of Company Secretaries in practice, confirming the compliance with the conditions of Corporate Governance as stipulated under the said Regulations is attached as Annexure VI to this Report.

Employees Stock Option Plan (ESOP)

During the year under review, your Board of Directors at its meeting held on April 2, 2025, based on recommendation of Nomination, Remuneration and Board Governance Committee, approved to grant 1,09,070 Options under the Happiest Minds Employee Stock Option Scheme 2020 to some of its senior executives.

During the year under review, your Company facilitated the transfer of 2,15,069 Equity Shares of ₹2/- each by the Happiest Minds Technologies Share Ownership Plans Trust to the employees who exercised their options under the old schemes.

The additional details of stock options are provided under Notes to Financial Statements (Standalone).

Pursuant to the requirements of the SEBI (Share Based Employee Benefit and Sweat Equity) Regulations, 2021, a certificate has been issued by the Secretarial Auditors of the Company confirming that the Plan has been implemented in accordance with the said Regulations and with the resolution passed by the Company in the General Meeting.

As required under the SEBI (Share Based Employee Benefit and Sweat Equity) Regulations, 2021, the applicable disclosures as on March 31, 2026, are uploaded on the website of the Company at <https://www.happiestminds.com/investors/disclosures/>.

Code for Prevention of Insider Trading

Your Company has adopted a Code of Conduct to regulate, monitor and report trading by designated persons and their immediate relatives as per the requirements under the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015. This Code of Conduct also includes the code for practices and procedures for fair disclosure of unpublished price sensitive information which has been made available at <https://www.happiestminds.com/investors/policy-documents/>

Vigil Mechanism

The Vigil Mechanism as envisaged in the Companies Act, 2013, the Rules prescribed thereunder and the Listing Regulations is implemented through the Company's Whistle Blower Policy to enable all its employees, consultants (part-time, full-time and temporary employees) of the Company and its subsidiary companies and its associate companies to report genuine concerns, to provide for adequate safeguards against victimization of persons who use such mechanism and make provision for direct access to the Chairman of the Audit Committee. Your Directors affirm that no employee/consultant has been denied access to the Audit Committee.

The Whistle Blower Policy is available at <https://www.happiestminds.com/investors/policy-documents/>

During the year under review, your Company did not receive any complaints under the said Policy.

Annual Return

Pursuant to Section 92(3) of the Companies Act, 2013 read with Rule 12 of the Companies (Management and Administration) Rules, 2014, copies of the Annual Returns of the Company for previous financial years (upto March 31, 2025) prepared in accordance with Section 92(1) of the Act have been placed on the website and is available at <https://www.happiestminds.com/investors/disclosures/>. The annual return for FY 2025-26 shall be uploaded on the website of the Company once the same is filed with the Registrar of Companies, Bengaluru.

Software Technology Park

The registered office of the Company has been registered under the Software Technology Parks of India (STPI) Scheme.

Deposits

Your Company has not accepted any deposits during the year under review and as such, no amount of principal or interest was outstanding on the date of the Balance Sheet.

Significant & Material Orders passed by the Regulators or Courts or Tribunals

During the year under review, your Directors confirm that there were no significant material orders passed by the Regulators or Courts or Tribunals impacting the going concern status of your Company and its future operations.

Loans, Guarantees and Investments

Pursuant to Section 186 of the Companies Act, 2013 and Schedule V of the Listing Regulations, disclosure on particulars relating to Loans, Advances, Guarantees, and Investments are provided as part of the financial statements.

Related Party Transactions

The Policy on related party transactions is available at <https://www.happiestminds.com/investors/policy-documents/>

None of the transactions with related parties fall under the scope of Section 188(1) of the Companies Act, 2013. Accordingly, the disclosure of related party transactions as required under Section 134(3)(h) of the Companies Act, 2013 in Form AOC-2 is not applicable to the Company for FY 2025-26 and hence, does not form part of this Report. Further details of related party transactions are provided in Notes to Financial Statements (both Standalone and Consolidated).

All the Related Party Transactions entered by your Company with the Related Parties are in the ordinary course of business and are carried out at arm's length pricing.

Details of the transaction(s) of your Company with the entity(ies) belonging to the promoter/promoter group which hold(s) more than 10% shareholding in the Company as required under Para A of Schedule V of the Listing Regulations are provided as part of the financial statements.

Auditors & Auditors' Report

The current Statutory Auditors of the Company M/s. Deloitte Haskins & Sells (ICAI registration number 008072S) who have been appointed at the 10th AGM of the Company held on July 07, 2021 to hold the office for a term of 5 years till the conclusion of the 15th AGM of the Company. Accordingly, their first consecutive term of 5 years will expire at the conclusion of this AGM. The Board, based on the recommendation of the Audit Committee has recommended the re-appointment of M/s. Deloitte Haskins & Sells as the statutory auditors of the Company, for a second term of five consecutive years, from the conclusion of the 15th AGM till the conclusion of the 20th AGM, for approval of shareholders of the Company.

The Auditors' Report does not contain any qualification, reservation, or adverse remark on the financial statements for the financial year ended March 31, 2026. The Notes on financial statements referred to in the Auditors' Report are self-explanatory and do not call for any further comments.

Pursuant to Regulation 24A and other applicable regulations of the Listing Regulations and other applicable provisions of the Companies Act, 2013, the Company has appointed M/s. V Sreedharan & Associates, a firm of Company Secretaries in practice to undertake the Secretarial Audit of the Company from the conclusion of the 14th AGM till the conclusion of the 19th AGM. The Secretarial Audit Report issued by them for the financial year ended March 31, 2026, is attached as Annexure VII to this Report. The Secretarial Audit Report does not contain any qualifications, reservations, or adverse remarks.

During the year under review, the Statutory Auditors and Secretarial Auditors have not reported any instances of frauds committed in the Company by its officers or employees, to the Audit Committee under Section 143(12) of the Companies Act, 2013, details of which needs to be mentioned in his Report.

Sustainability and Corporate Social Responsibility (CSR)

The Company's Sustainability, Environment, Social and Governance Reporting is provided separately as part of the Annual Report.

The annual report on CSR including a brief outline of the CSR Policy and the activities undertaken during the year under review is enclosed as Annexure III & IV to this Report. The CSR policy is available at <https://www.happiestminds.com/investors/policy-documents/>

Risk Management

Your Company under the supervision of the Executive Board has established a well-defined framework and procedures on organization wide risk and its management. The framework encompasses significant risk in areas of Information security, operations, delivery, and key support functions. Under the framework and procedures, detailed risk management guidelines have been prescribed and implemented covering Risk Identification, Analysis, Response, Tracking, and Management Discussion and Mitigation. Risk registers are maintained by respective functions and project teams. These are centrally reviewed and periodically monitored by compliance and governance teams identified as the owner for the area of risk. The Chief Information Security Officer (CISO), Chief Information Officer (CIO) and Engineering and Business Excellence Team (EBE) work together with the Executive Board in achieving the above.

The Executive Board with the assistance of the CISO, CIO and EBE follows a process covering the steps below in identifying areas of risk in the Company. The process covers (a) Identification of key risk areas (b) Assessment of key risks for probability and impact (c) Prioritization (d) Formulation of response (e) Identification of Owners (f) Participation by Owners in outlining mitigation plans (g) Reporting on adequacy and effectiveness (h) Acceptance of residual risk

Your Company while designing its strategy in drawing up of its long-term business plan, makes provision to accommodate broader/ higher level of risk than it expects/envisages so that Company is prepared to sustain in the eventuality of unforeseen level of risk.

Significant risks areas which have been identified and are constantly monitored are (a) **Investment Risks** - Failure to provide expected returns for defined objectives and risk such as underperforming to the stated objectives and/or benchmarks (b) **GCC Risks** - Shift in Customer Business towards GCC; Losing key people from select accounts to Client GCC and ask to work from Customer GCC (c) **People's Risk** - Inability to attract and retain quality people; Inadequate succession planning; Inappropriate work culture and ethics; Inefficient whistle blower mechanism; Inappropriate policy for woman safety at workplace (d) **Legal and Regulatory Risks** - Legal/commercial rights and obligations are not clearly defined or misunderstood; Commercial interests not adequately protected by legal agreements (e) **Compliance Risks** - Non-conformance with or inability to comply with rules, regulations, prescribed practices, internal policies and procedures

or ethical standards; Compliance of Acquired companies and any prior period issues (f) **Sustainability Risk** - Actions causing environmental damage; Compromising human rights or labor rights; Threatening occupational health and safety (g) **Cyber security risk** - Loss of Company's or customer artifacts, digital assets (code, database etc.) or IP; Sharing of personally identifiable information without requisite approvals ; Ransomware attacks. (h) **AI / Generative AI Risks** - Increased adoption of Artificial Intelligence and Generative AI-driven productivity tools by customers; changes in service delivery and engagement models; evolving workforce deployment requirements with potential impact on scalability and competitive positioning.

People Practices

FY 2025-26 represented a milestone in our journey toward the \$1 Billion vision, as the People Practices function shifted from structural integration to exponential scaling. Guided by our 8C Model, we focused on deep-rooting our "Mindful IT" ethos within a rapidly expanding global footprint. This year was defined by our ability to maintain the "startup like Agility" of Happiest Minds while building the "large-enterprise systems" required for our next phase of growth.

Happiest Minds has been formally certified as a Top Employer India 2026 by the Top Employers Institute in our very first year of participation, securing an exceptional score of 92.12 against an industry benchmark of 85.71. This recognition serves as a powerful validation of our people-first philosophy and our commitment to setting global benchmarks in leadership and member excellence.

Talent transformation remained a core pillar of our competitive advantage. We institutionalized Executive Coaching for senior leaders, partnering with industry experts to navigate the complexities of M&A and organizational change. The I3 Talent Program was further specialized with bespoke tracks for Project Managers and Program Managers, including the PROMT program, supporting our strategic shift toward GenAI-led digital solutions. Building on last year's groundwork, we launched the Aura Rise mentorship program, pairing high-potential female leaders with executive mentors to strengthen our DEI leadership pipeline. We also scaled the MentorUP program, completing Season 2 with over 35 sessions and strong engagement across 25 cohorts.

Our commitment to an inclusive workplace was reflected in a steady Gender Diversity Ratio of 27.7%. We were honored as one of the "Best Companies for Women in India" and "Most Inclusive Companies" by Avtar & Seramount in 2025. Moving forward, we are expanding our impact through the Aura Rise mentorship program and the launch of "She Speaks" across all locations to further empower our female leadership.

HappiZest – Holistic Wellness: The Wellness Wave initiative engaged over 5,000 members in health camps and nutrition sessions throughout FY26. A key highlight was our Wellness for Women program, which provided specialized gynaecological consultations across our major hubs in Pune and Bengaluru. We also introduced the Health Identity program for 2026, already engaging 300+ members in proactive health management

In line with our commitment to becoming a "Digitally Empowered" function, we advanced from HRMS integration to Predictive Workforce Analytics. We also launched an integrated digital framework, including the revamped PEP and R&R systems, fostering appreciation and inclusion through thousands of peer-to-peer expressions of gratitude.

We also embedded GenAI tools into talent acquisition and member services workflows, leveraging Smart Citations and AI-first logic to reduce turnaround times and strengthen the "Member Experience". Power BI-enabled dashboards were also enhanced to provide senior leadership with predictive insights into retention and skill gaps, facilitating proactive talent recalibration across Business Units.

We redefined "Happiness Evangelism" by embedding well-being into leadership metrics and culture. The Harmony-Benevolent Fund expanded support for members facing critical medical crises beyond insurance coverage, while leadership offsites strengthened "Social Capital" among newly integrated BU leaders. Finally, insights from Happometer and HPPS continued to advance an "Inclusive Workplace" and seamless "Team Integration".

Building on prior integration efforts, we unified PureSoftware, GAVS, and Aureus under a common framework and formalized the "Leader of Leaders" model. We aligned executive compensation with global market benchmarks and strengthened the distinction between BU-level accountability and enterprise-wide strategic mandates.

We reinforced our zero-tolerance culture through a revamped POSH training e-module, completed all Happiest Minds. Our efforts reached deep into the organization with multiple in-person sessions, resulting in over 90% of members

expressing high confidence in identifying and reporting inappropriate behavior. All cases were managed strictly within statutory timelines, ensuring a safe and respectful environment for all.

Looking Ahead: The Road to FY 2026-27

As we look toward the next fiscal year, our focus will remain on Sustainable Performance and Resilience. Our roadmap includes further advancing our AI-driven talent marketplaces, deepening our “Mindful Leadership” coaching, mentoring and other Talent Initiatives across all management levels, and expanding our Circle of Happiness social impact initiatives to reach even greater heights of community contribution.

At Happiest Minds, we remain dedicated to a simple but profound truth: Our success is a direct reflection of the happiness and purpose of our members.

Quality and Service Management System (QMS, SMS)

1. Quality Policy

Happiest Minds will consistently strive for customer happiness. We are committed to deliver excellence in our services by continually improving processes and systems, aiding in creating value to all our stakeholders. Our Quality Policy aligns with our Mission statement.

Happiest Minds this year has defined a Service Management standard for Infrastructure and Security services, aligning service delivery with industry standards.

Our SMS policy is.

Happiest Minds will consistently strive for Customer Happiness. We are committed to excellence by delivering reliable and consistent services to our customers as per the service agreements and contractual requirements by:

- Continually improving the processes and systems,
- Optimizing the required capacity and availability of services,
- Aiding in creating value to all our stakeholders

2. Management Framework

Driven by its vision, evolving business needs, technology advancements, customer feedback, and process insights, Happiest Minds continuously refines its quality practices. The Company maintained ISO 9001:2015 certification, with recertifications completed in December 2021 and 2024 following the transition to the IG-based structure. During the year, information security and privacy frameworks were upgraded to ISO 27001:2022 and ISO 27701:2022, and the Company achieved ISO 20000-1:2018 certification after a year-long journey to establish a Service Management System. In 2025, ISO 9001:2015 and ISO 20000-1:2018 were integrated into a unified surveillance audit, improving efficiency and process alignment.

As part of its evolving technology and governance landscape, Happiest Minds has initiated establishing an Artificial Intelligence Management System (AIMS), implementing ISO 42001:2023, to provide structured governance and oversight for AI and Gen-AI adoption. AIMS integrates with existing Quality, Service, and Information Security frameworks, enabling systematic management of AI-related risks, accountability, ethical usage, and compliance, ensuring AI-enabled solutions are governed through a consistent, risk-aware, policy-driven framework supporting responsible innovation, stakeholder trust, and sustainable value creation.

3. Engineering Practices

Happiest Minds’ engineering practices are designed to deliver high-quality software solutions while fostering sustained customer trust. Customer satisfaction is measured annually and has consistently improved year after year. The Company’s digital-first engineering practices have been well received by customers, with several adopting these practices within their internal delivery ecosystems.

During the year, as part of the broader AI-driven engineering transformation, Happiest Minds refreshed its engineering branding and visual identity across platforms to reflect the adoption of Gen-AI-enabled development practices. The logo enhancement signifies the Company’s evolution towards modern, AI-augmented engineering, reinforcing its positioning as a digital-native and innovation-led organization.

To further strengthen data-driven engineering, metrics captured across multiple tools have been integrated into centralized dashboards, enabling faster insights and agile decision-making. The Company has initiated focused efforts to improve developer productivity through the adoption of industry-recognized Gen-AI tools across various phases of the software development lifecycle. Structured mechanisms are in place to measure productivity improvements and demonstrate the quantitative benefits realized through AI-assisted engineering practices. Agentic SDLC is currently planned for deployment with more than 150 agents across software development lifecycle to improve Productivity and Quality

4. Systems Driven Approach

Projects at Happiest Minds are managed through integrated systems that provide end-to-end visibility into project management and engineering practices. This systems-driven approach supports the Company’s digital focus and enhances delivery effectiveness.

The Integrated Project Management system, supported by a mature Business Intelligence platform, enables informed decision-making across the organization. Lead indicators were also enhanced to help teams proactively identify risks and take early corrective actions.

With our AI-first approach we have started deploying GenAI based productivity improvement tools in the projects. Metrics Framework is being strengthened to effectively investigate usage of tools and measure productivity improvement based on the usage.

5. Quality First

Beyond standard code review practices, projects extensively leverage automated code quality tools to assess code against defined quality parameters. A Code Quality Index consolidates these measures to ensure consistent delivery of high-quality outcomes. Focused review groups handle critical code evaluations, and repository systems have been strengthened to support structured and secure code management.

Metrics from code quality and repository systems are integrated into dashboards, enabling early warning signals and timely corrective actions. With usage of GenAI based tools we are also aiming on improving our Code Quality.

6. Rapid Iteration and Experimentation

Agile teams at Happiest Minds adopt rapid cycles of experimentation, testing, and learning. Minimum Viable Products are used to validate ideas early, allowing customers to experience solutions sooner and reducing time to production.

Enhanced testing processes and metric-based monitoring enable predictive quality outcomes. DevOps practices, including continuous integration, automated testing, code analysis, and deployment, help reduce turnaround times and improve overall solution quality. Gen-AI-based productivity tools are increasingly being leveraged across development phases to further strengthen agile delivery.

7. Information Transparency

The Company ensures broad accessibility, accuracy, and availability of quality data across the organization. Integrated data pipelines and reporting mechanisms enable timely sharing of insights. During the year, additional SaaS systems and API-based data integrations were implemented to improve data availability and decision-making speed.

8. Continuous Learning

Continuous learning is embedded at both individual and organizational levels. Structured processes and tools support effective knowledge sharing, ensuring insights gained through experience and experimentation are institutionalized. The year saw increased focus on enabling teams to leverage Gen-AI tools for productivity improvement, with this focus continuing into the next financial year.

9. Involve to Evolve

Employee involvement is central to the Company’s continuous improvement philosophy. Focused improvement groups drive initiatives that have reduced rework, improved productivity, ensured adherence to schedules and budgets, and delivered measurable customer value.

The Company has also collaborated closely with customers to develop offerings that enhance delivery processes and enable better outcome visualization through structured measurement frameworks.

10. Rewards and Recognitions

Happiest Minds recognizes and rewards team members for excellence in process improvement and customer delivery through structured recognition programs, including Code Excellence and Service Delivery Excellence awards.

11. Customer Connect

The Company's 7C framework enables deeper understanding of customer behavior, expectations, and evolving needs. Customer Happiness Surveys, pulse reviews, and regular engagement forums support continuous alignment with customer priorities. Feed-forward mechanisms have been introduced to strengthen future-focused engagement.

During the year, Gen-AI tools were leveraged to analyze customer feedback and drive timely actions. Customer escalations are tracked and managed through integrated systems to ensure effective resolution and transparent communication.

12. GenAI Strategic Approach (Including AISDLC and AIMS)

As part of its enterprise AI and GenAI strategic approach, Happiest Minds has established a solid foundation to enable scalable, secure, and value-driven adoption of Artificial Intelligence across engineering and service delivery. The Company's approach balances innovation enablement with responsible governance, risk management, and measurable business outcomes, ensuring sustainable long-term value creation for customers and stakeholders.

Work completed to date includes the definition of an enterprise-level AI vision aligned with business objectives and customer value, identification and prioritization of high-impact AI and GenAI use cases across engineering, service management, quality assurance, and customer experience, and enablement of engineering teams with Gen-AI tools across multiple phases of the software development lifecycle to improve productivity, quality, and speed of delivery. To support responsible adoption, the Company has initiated the AI Secure Development Lifecycle (AISDLC) to embed security, privacy, ethical AI, and compliance controls across the end-to-end AI lifecycle and launched the Artificial Intelligence Management System (AIMS) program to establish structured AI governance, accountability, and risk management aligned with emerging global standards. Integrated execution dashboards, cross-functional governance, and organization-wide awareness and capability-building initiatives further support transparent and responsible AI adoption.

Going forward, Happiest Minds plans to progressively operationalize AISDLC and AIMS across AI-enabled engagements by strengthening lifecycle controls, expanding governance coverage, enhancing risk and compliance monitoring, and deepening measurement of AI-driven productivity and quality outcomes. These initiatives will enable the Company to scale GenAI adoption responsibly, reinforce stakeholder trust, and deliver sustained business and customer value as AI-led engineering practices continue to evolve.

Internal Control System

Your Company has deployed adequate Internal Control Systems in place to ensure the smooth functioning of its business. The processes and the systems are reviewed constantly and changed to address the changing regulatory and business environment. The Control Systems provide a reasonable assurance of recording the transactions of its operations in all material aspects and of providing protection against misuse or loss of the Company's assets. The ERP system which the Company implemented has helped in further strengthening the internal control systems that are in place.

The existing Internal Control Systems and their adequacy are frequently reviewed and improved upon to meet the changing business environment. The Statutory Auditors as well as the Internal Auditors periodically review the Internal Control Systems, Policies and Procedures for their adequacy, effectiveness and continuous operation for addressing risk management and mitigation strategies.

Conservation of Energy, Research and Development, Foreign Exchange Earnings and Outgo

Your Company has made the necessary disclosures in Annexure V to this Report in terms of Section 134(3) of the Companies Act, 2013, read with the Companies (Accounts) Rules, 2014.

Employees' Remuneration

As per the proviso to Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the statement containing the names and other details of employees drawing more than ₹10.2 million per financial year or ₹0.85 million per month, as the case may be, are set out in a separate Annexure forming the part of Board's Report.

However, in terms of Section 136(1) of the Act, this report is being shared excluding the aforesaid Annexure and is available for inspection. Further, as per the proviso to Rule 5(3) of the said Rules, the particulars of employees posted and working outside India not being Directors or their relatives, need not be included in the Board's Report but, such particulars shall be furnished to the Registrar of Companies. Accordingly, this Report does not contain the particulars of employees who are posted and working outside India. If any Member is interested in obtaining the aforesaid information, such Member may write to the Company in this regard.

Directors' Responsibility Statement

Pursuant to the requirement under Section 134(5) of the Companies Act, 2013, with respect to Directors Responsibility Statement, it is hereby confirmed that:

- In the preparation of the Annual Accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any.
- Accounting policies have been selected and applied them consistently and made judgments and estimates that are reasonable and prudent to give a true and fair view of the state of affairs of the Company at the end of the financial year 2025-26 and of the profit or loss of the Company for that financial year.
- Proper and sufficient care have been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- The Annual Accounts have been prepared on a going concern basis.
- Your Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and operate effectively.
- Proper systems have been devised to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating efficiently.

Secretarial Standards

During the year under review, your Company has duly complied with all applicable Secretarial Standards issued by the Institute of Company Secretaries of India.

Cost Audit

The provisions of Companies (Cost Records and Audit) Rules, 2014 are not applicable to your Company.

Insolvency and Bankruptcy Code

During the year, there was no application made or any proceeding pending under the Insolvency and Bankruptcy Code, 2016, hence the requirement to disclose the details of application made or proceeding pending at the end of financial year is not applicable.

Disclosure under Rule 8(5)(xii) of the Companies (Accounts) Rules, 2014

During the year, there were no instances where your Company required the valuation for one time settlement or while taking the loan from the Banks or Financial institutions.

Disclosure under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 ("POSH Act")

The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 ("POSH Act") remains central to fostering safe, inclusive, and respectful workplaces across India. At Happiest Minds, our gender-neutral **Anti-Sexual Harassment Policy** reflects a zero-tolerance approach to harassment. In compliance with the POSH Act, an Internal Committee (IC) comprising trained members and an external expert on child and women rights addresses complaints with sensitivity, confidentiality, and promptness.

Through mandatory learning, awareness programs, leadership sensitization, and regular communication, we continue to strengthen a culture of trust and respect, reinforcing our commitment to safety, equality, and the creation of a harassment-free workplace for all.

The following steps have been implemented to ensure compliance with the statutory requirements of the POSH Act:

Committee:

To ensure compliance with the POSH Act, Happiest Minds has established a robust Internal Committee (IC) structure across the organization. Constituted in accordance with the Act, the IC serves as the primary body for addressing, investigating, and redressing complaints of sexual harassment in the workplace.

Key steps implemented include:

- **Constitution of a Statutory Internal Committee:**
A formally appointed IC operates as per the requirements of the POSH Act, featuring a Presiding Officer and members trained in handling complaints with sensitivity, confidentiality, and fairness.
- **Mandatory Representation as per the Act:**
The committee comprises both male and female members, with at least 50% women representation, as mandated. Members are selected to ensure diversity of perspectives and adequate seniority.
- **Inclusion of an External Expert:**
To ensure neutrality, legal expertise, and compliance oversight, the IC includes an external member specializing in workplace harassment and gender sensitization.
- **Coverage Across Business Units and Locations:**
Representatives from each business unit and office location/region are included, ensuring accessibility and ease of reporting for all members across geographies.
- **Integration of Newly Acquired Entities:**
As part of our compliance governance, IC representation has been extended to all acquired organizations. This ensures uniformity in POSH standards, consistent redressal mechanisms, and seamless adherence to the Act across the expanded enterprise.
- **Periodic Review and Reconstitution:**
The committee is reviewed and reconstituted at regular intervals to ensure continued compliance, relevance, and capability.

Through these structured measures, Happiest Minds ensures that the Internal Committee remains compliant, accessible, and fully equipped to uphold a safe, respectful, and harassment-free workplace.

Training:

In compliance with the POSH Act, we have implemented structured training programs to raise awareness about workplace sexual harassment and the Act's provisions. All members, including partners, are required to complete POSH training through an online module. At Happiest Minds, POSH training is mandatory, covering key modules such as:

- Walk through of the POSH Act
- What is covered under sexual harassment
- Gender based scenarios under POSH
- Sexual Harassment during remote working
- How to raise a complaint
- Investigation procedure

Completion of the POSH e-module is mandatory for all new joiners and must be completed within 60 days of being assigned the training. In addition, all existing members are required to undergo a refresher course online once every year to ensure continued awareness and compliance.

In person POSH training sessions by Industry experts are continually done for Senior Managers and members across locations.

Complaints:

During FY 2026, three complaints were reported and taken up by the Internal Committee. Each case was investigated and resolved within the mandated 90-day period, in adherence with the POSH Act.

Disciplinary action:

Following the completion of the investigations, the disciplinary actions recommended by the Internal Committee were duly implemented in accordance with organizational policies and statutory guidelines.

Compliance:

As required under POSH Act, the Annual Report has been filed with the competent authorities. All required documents in compliance with the POSH Act have been filed. There have been no non-conformities or observations identified by competent authorities.

Other Action taken to create awareness:

During the year under review, Happiest Minds continued to strengthen awareness and reinforce a culture of safety, dignity, and zero tolerance for sexual harassment. In alignment with the POSH Act, awareness was reinforced through organization-wide communications, periodic reminders, mandatory learning for new joiners, annual refresher training for members, and easy access to POSH guidelines and reporting channels. Training and upskilling of Internal Committee (IC) members remained a key focus, covering fair and sensitive inquiry processes, evolving legal interpretations, best practices, and statutory responsibilities.

These initiatives strengthened organizational awareness, ensured compliance, and reaffirmed our commitment to a safe, inclusive, and harassment-free workplace.

Full Disclosure Statement:

While the POSH Act primarily safeguards women from workplace sexual harassment, we have proactively expanded the scope of our Anti Sexual Harassment Policy to ensure protection for all members and partners, regardless of gender, contractual status, caste, class, race, ethnicity, or affinity, while remaining aligned with the provisions of the Act.

Our policy also extends to visitors and casual members, reinforcing our commitment to a safe and inclusive work environment. Additionally, all complaints received by the Internal Committee are thoroughly reviewed and handled with the utmost confidentiality.

Disclosure under Maternity Benefits Act, 1961

Happiest Minds complies with the provisions of the Maternity Benefit Act, 1961, ensuring eligible women members receive their statutory entitlements, including up to 182 days of fully paid maternity leave. The policy also extends additional leave support in cases of medical complications, including leave provisions for miscarriage and medical termination of pregnancy, in line with applicable regulations.

In addition, the Company provides adoption leave to support members welcoming a child through adoption, as well as the option of sabbatical leave in case of extended medical requirements, ensuring continued care and recovery where needed.

These benefits reflect our commitment to creating a compliant, inclusive, and supportive workplace that prioritizes the health, well-being, and diverse needs of expecting and new mothers. We further support flexible work options, including hybrid working arrangements, enabling members to balance their professional and personal responsibilities effectively.

Acknowledgements

Your Directors have pleasure in recording their appreciation for all the guidance and co-operation received from all its customers, Members, investors, vendors, partners, bankers, government authorities and other stakeholders for their consistent support to your Company in its operations. Your Directors take this opportunity to place on record their sincere appreciation of the dedication, contribution and commitment of all Happiest Minds in Company's growth.

For and on behalf of Board

Venkatraman N
Managing Director
 DIN: 01856347

Ashok Soota
Chairman & Chief Mentor
 DIN: 00145962

Bengaluru
 Dated: June 15, 2026

Annexure I to Board's Report

Form AOC-1

(Pursuant to Section 129(3) of the Companies Act, 2013 read with Rule 5 of Companies (Accounts) Rules, 2014) Statement containing salient features of the financial statement of subsidiaries or associate companies or joint ventures

Part A Subsidiaries

(Information in respect of each subsidiary to be presented with amounts in ₹)

1	Name of the subsidiary	Happiest Minds Inc	PureSoftware Technologies Private Limited(Consolidated)
2	The date since when subsidiary was acquired	January 01, 2021	May 22, 2024
3	Reporting period for the subsidiary concerned, if different from the holding Company's reporting period	April 1, 2025 to March 31, 2026	April 1, 2025 to March 31, 2026
4	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	Reporting Currency – USD (Exchange Rate – 94.83)	Reporting currency - ₹
	Financial Details as on March 31, 2026	Amount in ₹ lakhs	Amount in ₹ lakhs
5	Share capital	95	324
6	Reserves and surplus	4,845	1373
7	Total assets	21,961	17113
8	Total Liabilities	17,021	14365
9	Investments	14	-
10	Turnover	13,762	42685
11	Profit before taxation	4,623	8220
12	Provision for taxation	359	2,522
13	Profit after taxation	4,625	5,698
14	Proposed Dividend	-	-
15	Extent of shareholding (in percentage)	100%	100%

(Information in respect of each subsidiary to be presented with amounts in ₹)

1	Name of the subsidiary	Aureus Tech Systems Private Limited	InnovazIT Technologies LLC
2	The date since when subsidiary was acquired	June 29, 2025	February 01, 2025
3	Reporting period for the subsidiary concerned, if different from the holding Company's reporting period	April 1, 2025 to March 31, 2026 (Consolidated from July 1, 2025)	April 1, 2025 to March 31, 2026
4	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	Reporting currency - ₹	Reporting currency - AED (Exchange Rate: 25.779)
	Financial Details as on March 31, 2026	Amount in ₹ lakhs	Amount in ₹ lakhs
5	Share capital	10.00	541
6	Reserves and surplus	1,462	500
7	Total assets	2,685	1,715
8	Total Liabilities	1,213	674
9	Investments	0	-
10	Turnover	4,298	4,914
11	Profit before taxation	676	320
12	Provision for taxation	215	0
13	Profit after taxation	461	320
14	Proposed Dividend	0.00	-
15	Extent of shareholding (in percentage)	100%	100%

(Information in respect of each subsidiary to be presented with amounts in ₹)

1	Name of the subsidiary	GAVS Technologies LLC	GAVS Technologies Saudi Arabia for Telecommunications and Information Technology
2	The date since when subsidiary was acquired	February 01, 2025	February 01, 2025
3	Reporting period for the subsidiary concerned, if different from the holding Company's reporting period	April 1, 2025 to March 31, 2026	April 1, 2025 to March 31, 2026
4	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	Reporting currency - OMR (Exchange Rate: 245.979)	Reporting currency - SAR (Exchange Rate: 25.233)
	Financial Details as on March 31, 2026	Amount in ₹ lakhs	Amount in ₹ lakhs
5	Share capital	615	25
6	Reserves and surplus	378	-108
7	Total assets	1,523	63
8	Total Liabilities	531	145
9	Investments	-	-
10	Turnover	1,671	0.00
11	Profit before taxation	289	-58
12	Provision for taxation	41	0.00
13	Profit after taxation	248	-58
14	Proposed Dividend	-	-
15	Extent of shareholding (in percentage)	100%	100%

Notes:

- Names of subsidiaries which are yet to commence operations- Nil
- Names of subsidiaries which have been liquidated or sold during the year- Happiest Minds Edutech Private Limited and Sri Mookambika Infosolutions Private Limited, both wholly owned subsidiaries of the Company amalgamated with the Company with effect from the Appointed date of April 18, 2024 and April 1, 2025 respectively. Consequently, the above-mentioned wholly owned subsidiaries stand dissolved without winding up.
- Part B of the Annexure is not applicable as there are no Associate Companies / Joint Ventures of the Company as on March 31, 2026

For and on behalf of Board

Venkatraman N
Managing Director
 DIN: 01856347

Ashok Soota
Chairman & Chief Mentor
 DIN: 00145962

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

Bengaluru
 Dated: June 15, 2026

Annexure II to Board's Report

Statement of Disclosure of Remuneration under Section 197 of Companies Act, 2013 and Rule 5(1) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

- The ratio of the remuneration of each Director and Key Managerial Personnel to the median remuneration of the employees of the Company for the financial year ended March 31, 2026, and percentage increase in remuneration compared to last financial year:

Director/ KMP	Designation	% increase in remuneration compared to last FY	Ratio to median remuneration of employees
Ashok Soota	Chairman & Chief Mentor	127.58%	23.61
Joseph Anantharaju	Co-Chairman & CEO	50.93%	34.83
Venkatraman Narayanan	Managing Director	116.03%	20.99
Rajendra Kumar Srivastava	Lead Independent Director	18.4%	2.36
Shuba Rao Mayya	Independent Director	21.2%	2.10
Anita Ramachandran	Independent Director	21.2%	2.10
Mittu Sridhara	Independent Director	21.2%	2.10
Anand Balakrishnan	CFO	0.00%	7.87
Praveen Kumar Darshankar	Company Secretary & Compliance Officer	6.00%	3.96

Note: For the purpose of calculation of median, salary at global level with conversion rate as of March 31, 2026, has been considered. The median salary at global level of employment is ₹19,06,100/- and at India level of employment is ₹18,59,700/-

- Percentage increase in the median remuneration of employees in the financial year ended March 31, 2026: 12.27%
- No. of permanent employees on the rolls of Company as on March 31, 2026, was 4,756
- Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:

9.58% increase in remuneration in salaries of employees other than managerial personnel against 77.80% increase in salary of managerial personnel. The increase in remuneration of managerial personnel aligns with market benchmarks.

- Affirmation that the remuneration is as per the remuneration policy of the Company:

Your Company affirms that the remuneration of Directors and Key Managerial Personnel was as per the Remuneration Policy of the Company.

For and on behalf of Board

Venkatraman N
Managing Director
 DIN: 01856347

Ashok Soota
Chairman & Chief Mentor
 DIN: 00145962

Bengaluru
 Dated: June 15, 2026

Annexure III to Board's Report

Annual Report on CSR

[Pursuant to Section 134(3)(o) of the Act and Rule 8 of the Companies (Corporate Social Responsibility) Rules, 2014 and amendments thereof]

1. Brief outline on CSR Policy of the Company:

The CSR policy has been instituted based on the Corporate Social Responsibility (CSR) philosophy of your Company and is committed to undertake CSR activities in accordance with the CSR Regulations. Your Company conducts its business in a sustainable and socially responsible manner. This principle has been an integral part of the Company's corporate values and believes that corporate growth and development should be inclusive, and every company must be responsible and shall contribute towards betterment of the society. Your Company is committed to the safety and health of the employees, protecting the environment and the quality of life in all regions in which your Company operates. Further, with respect to the Company's CSR philosophy, the Board has constituted the "CSR Committee" as its core CSR team, as a means of fulfilling this commitment.

The CSR activities of the Company are as per the provisions of Schedule VII of the Companies Act, 2013 and CSR Policy gives an overview of the projects and programs which are proposed to be undertaken by the Company in the coming years.

2. The Composition of the CSR Committee:

Sl. No.	Name of the Director	Nature of Directorship	Designation	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee eligible to attend during the year
1	Anita Ramachandran	Independent Director	Chairperson	2	2
2	Rajendra Kumar Srivastava	Independent Director	Member	2	2
3	Rajiv Shah ¹	Executive Director	Member	1	1
4	Venkatraman Narayanan	Executive Director	Member	2	2

¹ Ceased to be member w.e.f. December 31, 2025

3. Web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the Board are disclosed on the website of the Company:

- CSR Committee: <https://www.happiestminds.com/investors/disclosure/Board-and-Board-Committees.pdf>
- CSR Policy: <https://www.happiestminds.com/investors/policy-document/Corporate-Social-Responsibility-Policy.pdf>
- CSR projects approved by the Board: <https://www.happiestminds.com/investors/disclosure/HM-CSR-FY26.pdf>

4. Executive summary along with web-link(s) of Impact Assessment of CSR Projects carried out in pursuance of sub-rule (3) of rule 8, if applicable: Not Applicable

- Average net profit of the Company as per sub-section (5) of section 135: ₹28,809 lakhs¹
- Two percent of average net profit of the Company as per sub-section (5) of section 135: ₹576.2 lakhs
- Surplus arising out of the CSR Projects or programs or activities of the previous financial years: 0
- Amount required to be set-off for the financial year, if any: 0
- Total CSR obligation for the financial year [(b)+(c)-(d)]: ₹576.2 lakhs

6. a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project):

Ongoing Project : ₹191.9 lakhs

Other than ongoing projects: ₹427.4 lakhs (Refer Annexure IV)

¹Pursuant to the Hon'ble NCLT Bengaluru Bench order dated September 25, 2025 approving the Scheme of Amalgamation of Sri Mookambika Infosolutions Private Limited (SMI) with the Company, the financials have been consolidated accordingly, and the average net profit includes the average net profit of SMI.

b) Amount spent in Administrative Overheads: NIL

c) Amount spent on Impact Assessment, if applicable: Not Applicable

d) Total amount spent for the Financial Year [(a)+(b)+(c)]: ₹619.3 lakhs

e) CSR amount spent or unspent for the Financial Year:

Total Amount Spent for the Financial Year. (in ₹ lakhs)	Amount Unspent (in ₹ lakhs)				
	Total Amount transferred to Unspent CSR Account as per section 135(6).		Amount transferred to any fund specified under Schedule VII as per second proviso to sub-section (5) of section 135.		
	Amount.	Date of transfer.	Name of the fund	Amount	Date of Transfer
619.3	NA	NA	NA	NA	NA

f) Excess amount for set-off, if any

Sl. No.	Particular	Amount (in ₹ lakhs)
(i)	Two percent of average net profit of the Company as per sub-section (5) of section 135	576.2
(ii)	Total amount spent for the Financial Year	619.3
(iii)	Excess amount spent for the Financial Year [(ii)-(i)]	43.1
(iv)	Surplus arising out of the CSR projects or programs or activities of the previous Financial Years, if any	0
(v)	Amount available for set off in succeeding Financial Years [(iii)-(iv)]	43.1

7. Details of Unspent Corporate Social Responsibility amount for the preceding three Financial Years:

Sl. No.	Preceding Financial Year(s)	Amount transferred to Unspent CSR Account under subsection (6) of section 135 (in ₹ lakhs)	Balance Amount in Unspent CSR Account under subsection (6) of section 135 (in ₹ lakhs)	Amount Spent in the Financial Year (in ₹ lakhs)	Amount transferred to a Fund as specified under Schedule VII as per second proviso to subsection (5) of section 135, if any Amount (in ₹ lakhs)	Amount transferred to a Fund as specified under Schedule VII as per second proviso to subsection(5) of section 135, if any Date of Transfer	Deficiency, if any
1	FY-22-23	-	-	-	-	-	-
2	FY-23-24	223.72	0	223.72	NA	NA	NA
3	FY-24-25	137	-	137	-	-	-

8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year: No

9. Specify the reason(s), if the Company has failed to spend two per cent of the average net profit as per subsection (5) of section 135: NA

For and on behalf of Board

Venkatraman N
Managing Director
DIN: 01856347

Ashok Soota
Chairman & Chief Mentor
DIN: 00145962

Bengaluru
Dated: June 15, 2026

Annexure IV

Sl. No.	Name of the Project	Item from the list of activities in schedule VII to the Act.	Local area (Yes/No).	Location of the project		Allotment (in ₹ lakhs)	Amount spent for the project (in ₹ lakhs)	Mode of implementation Direct (Yes/No).	Mode of implementation Through implementing agency	
				State	District				Name	CSR Registration Number
1	Percolation Wells under 'One Billion Drops' Project	Environmental sustainability	Yes	Karnataka	Bengaluru	191.8	191.8	No	United Way of Bengaluru	CSR00000324
2	Siddalgatta-Social forestry	Environmental sustainability	Yes	Karnataka	Chikkaballapur	0.13	0.13	No	United Way of Bengaluru	CSR00000324
3	Poriyalar Park Development (on behalf of SMI)	Environmental sustainability	Yes	Tamil Nadu	Madurai	22.60	22.60	No	United Way of Bengaluru	CSR00000324
4	Think Good Foundation - Scapplings	Environmental	Yes	Uttar Pradesh	Noida	5	5	No	Think Good Foundation	CSR00028312
5	Say No To Single Use Plastic (on behalf of SMI)	Environmental	Yes	Karnataka	Bengaluru	13.5	13.5	No	Utkarsh Global Foundation	CSR00003183
6	Cauvery Calling	Environmental & Social	Yes	Tamil Nadu & Karnataka	44 districts across Karnataka & Tamil Nadu	50	50	No	Isha Foundation	CSR00009670
7	EcoReco – E-waste Management	Environmental	Yes	India	India	1.8	1.8	No	EcoReco	CSR00044733
8	Mangrove Plantation	Environmental sustainability	Yes	Tamil Nadu	Krishnagiri	100	100	No	Grow Trees	
9	Community & Waste Management	Environmental & Social	Yes	Karnataka	Bengaluru	8.5	8.5	No	Lets Be The Change	CSR00004271
10	Education & Nutrition	Social	Yes	Karnataka	Bengaluru	160	160	No	AkshayPatra	CSR00000286
11	Healthcare & Diabetes Support for Children	Healthcare	Yes	Karnataka	Bengaluru	46	46	No	Idhayangal Charitable Trust	CSR00003135
12	Healthcare & Mental Well-being	Healthcare	Yes	Odisha	Puri	10	10	No	Live Love Laugh	CSR00012198
13	Cultural & Heritage Sustainability	Social	Yes	Karnataka	Bengaluru	10	10	No	Kadambari	CSR00095306
Total						619.3	619.3			

For and on behalf of Board

Venkatraman N
Managing Director
DIN: 01856347

Ashok Soota
Chairman & Chief Mentor
DIN: 00145962

Bengaluru
Dated: June 15, 2026

Annexure V to Board's Report

A. Conservation of Energy

We recognize that sustainable practices are fundamental to creating long-term value for our stakeholders and clients. During the year, we undertook targeted measures to enhance energy efficiency and reduce our environmental footprint through process optimization, deployment of energy-efficient solutions, and adoption of smart technologies across our operations.

A majority of our office facilities have already transitioned from conventional fluorescent lighting to energy-efficient LED systems. Our IT infrastructure continues to be predominantly cloud-based, replacing traditional server racks and contributing to lower energy consumption. We have institutionalized the use of sensor-based and flow-regulated taps to promote responsible water usage, along with percolation wells across our premises to support rainwater harvesting and groundwater recharge. We also continue to avoid single-use disposables across our offices.

The Company's total energy consumption for the year stood at 45,98,084 kWh, of which 4,88,941 kWh (approximately 11%) was generated through rooftop solar installations, reflecting a growing share of renewable energy in our overall energy mix.

In addition to operational measures, we undertook employee-led and community-focused sustainability initiatives that contribute to energy conservation and circular resource use. During the year, we conducted a 'Digital Detox Week' to promote responsible e-waste disposal among employees. The collected e-waste is being recycled through an authorized partner, thereby reducing reliance on energy-intensive extraction and processing of raw materials. Further, we are driving the 'Namma Swacha Madiwala' program in partnership with an established organization in this space to strengthen waste segregation and recycling practices around our office premises, supporting efficient resource utilization and reducing landfill burden.

Collectively, these initiatives advance our environmental stewardship objectives while delivering cost efficiencies and strengthening operational resilience. We remain committed to embedding sustainability into our business practices and creating sustained value for our stakeholders.

B. Technology Absorption

Your Company has taken major initiatives to position itself as an AI-First digital company focusing on Agentic AI based ways of bringing business values. Your Company continues to track trends and latest developments in various technology areas including Mobility, Data Platforms, Analytics & AI, Cyber Security, Cloud Computing, Automation and IoT, with a strategic shift towards AI-First technologies and foundation model ecosystems. Your Company has adopted an AI-First strategy, embedding AI capabilities across its service offerings, platforms and internal engineering processes. Your Company has newly formed AI Productivity CoE to build capabilities around AI-powered development environments and intelligent engineering frameworks to enhance productivity and accelerate innovation. Your Company has strengthened its partnerships with leading technology providers including Microsoft for Azure OpenAI, Copilot and AI platform implementations, Amazon AWS for Generative AI and cloud AI services along with continued collaborations with platform providers such as ServiceNow, Databrick, Fivetran, Anthropic and Pimcore to deliver AI-enabled enterprise solutions.

Your Company's focus in 6 Industry Groups including Health & Life Sciences, Manufacturing and Industrial, BFSI, CPG/ Retail, EduTech, HiTech has helped increase the knowledge base within the organization and enhanced its ability to undertake larger and more complex transformation programs leveraging AI-driven platforms. Your Company also continues to undertake continuous quality improvement programs, employee training programs, and deployment of AI-assisted engineering tools and platforms to enhance delivery excellence. Your Company continues its comprehensive journey to train all its people on AI-First Technologies including internal functions.

C. Research and Development

(i) Specific Areas of Research and Development

During the year under review, the technology adoption across IoT, Mobility, Big Data & Analytics, Cyber Security, Quantum Computing & Quantum Machine Learning and Cloud Technologies continue to evolve, customer expectations are increasingly centered around AI-enabled platforms, intelligent automation and Agentic workflows. In response, your Company has adopted an AI-First approach, embedding AI capabilities across its

research and development initiatives and enhancing existing platform with AI-driven intelligence and automation to deliver higher value and improved delivery capability. Your Company has continued to develop intellectual property (IP) and solutions through focused R&D investments and has built additional AI capabilities using AI-First Technologies. Pro-RITE – Cognitive QA leveraging AI-based testing and automation, Agent-Hub enabling engineers to deliver software faster, Watch360 in infrastructure management, SecGenie 2.0 in Cyber Security, ELIARA in process automation space. Further, your Company has developed AI powered agentic accelerators and repeatable enterprise solutions including Conversational AI platforms, enterprise knowledge assistants, document intelligence solutions and AI-driven automation accelerators, Arttha and Insurance-in-the-Box for the BFSI industry and University-in-the-Box for EduTech Industry. Your Company has started its journey towards developing University-as-a-Service platform powered by AI-driven insights and automation.

(ii) Benefits derived as a result of the above R&D

Your Company has gained considerable mind share in the industry by venturing into AI-First Digital Technologies and IP-driven state-of-the-art solutions as mentioned above. These concerted efforts have enabled your Company to rapidly deploy GenAI based solutions in production environments, build enterprise use cases and accelerate adoption of AI-driven digital transformation initiatives. These initiatives have also helped Your Company strengthen its presence in focused geographies, support the growth of newly created business units and increase adoption of AI-powered platforms and solutions, resulting in industry recognitions, analyst mentions and increased share of IP-led revenues for the Company.

(iii) Future Plan of Action

Your Company will continue to leverage its investments in AI-First digital technologies with an increased focus on Generative AI platforms, enterprise LLM orchestration, Agentic AI frameworks, AI-driven software engineering and AI-enabled automation. In view of the rapidly evolving technology landscape and changing customer expectations, Your Company plans to expand its research across Microsoft, Google, AWS Generative AI ecosystems, Anthropic and fast evolving niche startups. Your Company will also continue to develop solutions leveraging emerging technologies including AI governance frameworks, AI security, Zero Trust architectures, intelligent automation platforms and reusable AI components on low-code platforms, enabling enterprises to accelerate AI adoption and digital transformation.

(iv) Expenditure on R&D

R&D is carried on by the Company as a part of the ongoing software development activity and expenditure thereof is considered as part of operating expenditure. Total expenses on R&D during FY 2025-26 was ₹2,571 lakhs as against ₹2,047 lakhs during FY 2024-25.

D. Foreign Exchange Earnings and Outgo:

(i) Activities relating to exports, initiatives taken to increase exports, development of new export market for services and export plans

During the financial year, your Company continued to strengthen its position in global markets through a combination of strategic client engagements, AI-First digital transformation offerings, and delivery excellence. A significant portion of the Company's revenue was derived from exports to North America, Europe, Middle Eastern and Asia-Pacific regions. To further enhance export performance, the Company undertook several initiatives including:

- Investment in emerging technologies such as Agentic AI, GenAI, cybersecurity to cater to evolving global demand.
- Participation in international trade fairs and industry forums to increase brand visibility and attract new clients.
- Actively engaging with leading research and advisory firms—Forrester, Everest Group, Zinnov, IDC, and ISG—through analyst research surveys
- Forging strategic alliances and global partnerships.
- Expanding to newer markets and geographies through acquisitions. The PureSoftware acquisition has given us local presence and/or clients in Malaysia, Singapore, Hong Kong, Philippines and Africa. Similarly, the GAVS acquisition opens up the GCC market for us and access to large BFSI clients.
- Non-linear revenues through sales of IP and solutions (Arttha) overseas.

Looking ahead, the Company aims to deepen its presence in high-growth sectors such as BFSI, healthcare and hi-tech, with a strong emphasis on innovation and customer-centric solutions.

(ii) Foreign exchange used and earned

	(Amount in ₹ lakhs)	
	March 31, 2026	March 31, 2025
Foreign exchange earnings	1,92,853	1,76,556
Foreign exchange outgo	36,135	70,665

For and on behalf of Board

Venkatraman N
Managing Director
 DIN: 01856347

Ashok Soota
Chairman & Chief Mentor
 DIN: 00145962

Bengaluru
 Dated: June 15, 2026

Annexure VI to Board's Report

CORPORATE GOVERNANCE COMPLIANCE CERTIFICATE

[Pursuant to Regulation 34(3) and Schedule V Para E of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

Corporate Identity No : L72900KA2011PLC057931

Nominal Capital : ₹59,10,00,000/-

To
 The Members of
Happiest Minds Technologies Limited
 # 53/1-4, Hosur Main Road, Madivala
 Bengaluru – 560068.

We have examined all the relevant records of Happiest Minds Technologies Limited for the purpose of certifying compliance of the conditions of the Corporate Governance under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the financial year ended March 31, 2026. We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of certification.

The compliance of conditions of corporate governance is the responsibility of the Management. Our examination was limited to the procedure and implementation process adopted by the Company for ensuring the compliance of the conditions of the corporate governance.

This certificate is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

In our opinion and to the best of our information and according to the explanations and information furnished to us, we certify that the Company has complied with all the mandatory conditions of Corporate Governance as stipulated in the said Regulations. As regards Discretionary Requirements specified in Part E of Schedule II of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the Company has complied with items C and E and F.

For **V Sreedharan & Associates**
 Company Secretaries

V. Sreedharan
 Partner
 FCS 2347; C.P.No.833
 UDIN: F002347H000512626
 Peer Review Certificate No. 5543/2024

Place: Bengaluru
 Date: May 28, 2026

Annexure VII to Board's Report

Form No. MR-3

SECRETARIAL AUDIT REPORT

[Pursuant to Sub Section (1) of Section 204 of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

For the Financial Year Ended March 31, 2026

To
 The Members
Happiest Minds Technologies Limited
 CIN: L72900KA2011PLC057931
 # 53/1-4, Hosur Main Road, Madivala
 Bengaluru - 560068

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Happiest Minds Technologies Limited** (the Company) having a CIN: L72900KA2011PLC057931. Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/ statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2026 (the audit period) complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed, and other records maintained by the Company for the financial year ended on March 31, 2026 according to the provisions of:

- i. The Companies Act, 2013 (the Act) and the rules made thereunder;
- ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- iv. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Overseas Direct Investment. There was no Foreign Direct investments and External Commercial Borrowing by the Company during the period under review;
- v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') : -
 - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; (Not Applicable to the Company during the Audit Period);
 - d. The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;
 - e. The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021;

- f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 (upto 14th December, 2025) and the Securities Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 2025 (from 15th December, 2025) regarding the Companies Act and dealing with client;
 - g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 (Not Applicable to the Company during the Audit Period);
 - h. The Securities and Exchange Board of India (Buy-back of Securities) Regulations, 2018; (Not Applicable to the Company during the Audit Period) and
 - i. Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- vi. Other laws specifically applicable to the Company namely:
- a. Information Technology Act, 2000 and the rules made thereunder
 - b. Software Technology Parks of India rules and regulations

We have also examined compliance with the applicable clauses of the following:

- i. Secretarial Standards issued by The Institute of Company Secretaries of India on Meetings of the Board of Directors and General Meetings.
- ii. Listing Agreements entered into by the Company with BSE Limited and National Stock Exchange of India Limited.

We have not examined compliance by the Company with applicable financial laws, like direct and indirect tax laws, since the same have been subject to review by statutory financial audit and other designated professionals.

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, etc. mentioned above.

We further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were duly sent in respect of all the meetings and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

As per the minutes of the meetings duly recorded and signed by the Chairman, the decisions of the Board were unanimous, and no dissenting views have been recorded.

We further report that based on the review of the compliance reports/ certificates of the Company Secretary which were taken on record by the Board of Directors, there are adequate systems and processes in the company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period the following events/actions were having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines etc.

1. Approval by the shareholders at the 14th Annual General Meeting held on 29th July, 2025 for enhancement of the borrowing powers of the Board pursuant to Section 180(1)(c) of the Companies Act, 2013, up to an aggregate limit not exceeding the aggregate of the paid-up share capital, free reserves and securities premium of the Company by ₹500 cr or up to a fixed limit of ₹1,000 cr whichever is higher;
2. Approval by the shareholders at the 14th Annual General Meeting held on 29th July, 2025 pursuant to Section 180(1)(a) of the Companies Act, 2013 for creation and/or modification of charges on the movable and immovable properties of the Company, including its undertakings, both present and future.

3. Approval of the Board of a Scheme of Amalgamation for the merger of Auerus Tech Systems Private Limited, a wholly owned subsidiary with the Company, pursuant to the provisions of Sections 230 to 232 of the Companies Act, 2013 and other applicable provisions.
4. Approval of The Hon'ble National Company Law Tribunal, Bengaluru Bench, vide its orders dated September 22, 2025 and September 25, 2025 of the Schemes of Amalgamation involving the merger of Happiest Minds Edutech Private Limited and Sri Mookambika Infosolutions Private Limited respectively with the Company. Pursuant to the said amalgamations, the authorized share capital of the Company increased from ₹58.90 cr to ₹59.10 cr.
5. Approval of the Board at its meeting held on February 9, 2026 to the grant of a foreign currency loan aggregating to USD 10 Million to Happiest Minds Inc., USA, its wholly owned subsidiary, to enable the said subsidiary to acquire Optionally Convertible Redeemed Preference Shares(OCRPS) issued by PureSoftware Pte. Ltd., Singapore, a step-down subsidiary of the Company, from the existing holders, in compliance with the provisions of Section 186 of the Companies Act, 2013.
6. Approval of the Board for incorporation of a wholly owned subsidiary in Canada.

For **V Sreedharan & Associates**
Company Secretaries

V. Sreedharan

Partner

FCS 2347; C.P.No.833

UDIN: F002347H000512505

Peer Review Certificate No. 5543/2024

Place: Bengaluru
Date: May 28, 2026

This report (i.e., Form No. MR-3) is to be read with our letter of even date which is annexed as Annexure and forms an integral part of this report.

'Annexure'

To,
 The Members,
Happiest Minds Technologies Limited,
 # 53/1-4, Hosur Main Road, Madivala,
 Bengaluru – 560068

Our report of even date is to be read along with this letter:

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For **V Sreedharan & Associates**
 Company Secretaries

V. Sreedharan
 Partner
 FCS 2347; C.P.No.833
 UDIN: F002347H000512505
 Peer Review Certificate No. 5543/2024

Place: Bengaluru
 Date: May 28, 2026

MANAGEMENT DISCUSSION AND ANALYSIS

Company Overview

Happiest Minds Technologies Limited (BSE, NSE: HAPPSTMNDS) is an AI-First, customer-centric digital engineering company committed to delivering 'Happiest People . Happiest Customers'. With an integrated approach that spans from chip to cloud, Happiest Minds delivers secure and scalable solutions across product engineering, cybersecurity, analytics, and automation platforms. Happiest Minds brings purpose and precision to every engagement, helping enterprises solve complex business challenges and fast-track their digital evolution across industry sectors such as Banking, Financial Services & Insurance (BFSI), EdTech, Healthcare & Life Sciences, Hi-Tech and Media & Entertainment, Industrial, Manufacturing, Energy & Utilities, and Retail, CPG & Logistics.

Happiest Minds' innovation-led strategy is powered by deep expertise in disruptive tech including Gen AI and strategic partnerships with global technology leaders like Microsoft and AWS, along with a growing portfolio of proprietary platforms including Arttha, a unified digital payments suite designed to enable seamless and inclusive financial experiences, Insurance in a Box, a modular digital insurance platform powered by InsuranceGPT to help insurers build, automate, and scale AI-driven products and workflows, and FuzionX Gaming Studio, a game development hub focused on building high-performance gaming experiences that integrate creativity with advanced technology.

Happiest Minds has been honored by both the Golden Peacock Awards and the Institute of Company Secretaries of India (ICSI) for its exemplary Corporate Governance practices. Guided by its mission of 'Happiest People . Happiest Customers' and consistently recognized as a great place to work, Happiest Minds is headquartered in Bengaluru, India, with a global presence across the Americas, UK, Europe, Australia, the Middle East, Africa, and Asia.

Industry Overview (FY 27 Outlook)

The Indian IT and ITeS industry enters FY27 at a strategic inflection point, **transitioning from scale-led growth toward value-driven, AI-centric transformation**. Following a period of global macroeconomic uncertainty and cautious discretionary spending, the sector demonstrated resilience in FY26, supported by sustained demand for digital modernization, cloud transformation, and enterprise technology services.

As per NASSCOM estimates, **India's technology industry is expected to have crossed USD 315 billion in revenue by FY26**, with an increasing share of growth being driven by AI-led transformation, digital engineering, and platform-centric services. Entering FY27, overall technology spending is expected to remain **measured at 5-7% YoY**, while enterprise investments in AI continue to scale progressively, moving from experimentation toward organization-wide deployment.

A defining characteristic of FY27 is expected to be the **industrialisation of Generative AI and Agentic AI, as enterprises move beyond pilot programs toward embedding AI into core business processes and workflows**. While AI adoption is becoming widespread across industries, value realisation is increasingly dependent on workflow redesign, data readiness, governance frameworks, and responsible AI implementation. This is expected to drive demand for higher-value consulting, engineering, integration, and managed services capabilities, beyond traditional effort-based delivery models.

Digital Engineering and ER&D continue to remain structurally strong growth areas as global enterprises accelerate the transition toward software-defined products, intelligent platforms, and connected ecosystems. India is further strengthening its position as a global ER&D hub, supported by a deep engineering talent base, increasing product ownership mandates, and the expansion of Global Capability Centers focused on innovation and R&D.

The cloud, data, and AI infrastructure cycle is expected to remain another key growth driver, supported by rising investments in hybrid cloud, data platforms, AI infrastructure, and enterprise modernization initiatives. In parallel, cybersecurity and digital trust are emerging as board-level priorities, as accelerated AI adoption increases enterprise risk exposure, regulatory scrutiny, and the need for resilient, secure, and compliant digital ecosystems.

From an operating model perspective, FY27 is expected to witness a continued shift toward **outcome-based engagement models, IP-led solutions, platform monetisation, and productivity-led delivery enabled by AI**. Hiring trends are likely to remain selective, with greater emphasis on skill transformation, specialised digital capabilities, and workforce productivity rather than broad-based headcount expansion.

India's long-term competitiveness continues to be reinforced by strong policy support, including investments under the **India AI Mission and the National Quantum Mission**, which are helping build foundational capabilities across compute infrastructure, research, skilling, and deep-tech innovation.

Theme for FY27

“From GenAI to Impact at Scale: Outcome-led, Trust-first Digital Transformation”

FY27 is expected to mark the transition from AI promise to measurable enterprise value, characterised by scaled AI deployment, software-led engineering, resilient digital infrastructure, and a sharper focus on trust, productivity, innovation-led growth, and sustainable value creation.

Business Overview

Our business is divided into 3 Business Units. Each unit is designed to deliver end-to-end outcomes—combining engineering depth, integrated technology capabilities, and scalable delivery models.

1) Product and Digital Engineering Services (PDES)

PDES is focused on delivering engineering excellence to customers that are building next-generation products and platforms, as well as enterprises driving large-scale digital transformation.

Our approach is supported by innovation, integration, and industry AI-led solutions, strengthened through targeted initiatives that scale operations and expand domain expertise and global presence. We bring deep capabilities across platform development, device engineering, quality assurance, experience engineering, and technology acceleration, helping customers build products that are smart, secure, scalable, and built for sustained momentum in a hyper-competitive market.

During the year, we reinforced our position by delivering measurable milestones and strengthening customer-centric delivery through outcome-driven partnerships across key industries.

2) Generative AI Business Services (GBS)

GBS enables enterprises to accelerate transformation by operationalizing AI responsibly, moving from experimentation to AI-first, enterprise-scale transformation.

As clients progressed from pilots to production, the focus evolved from isolated use cases to questions of governance, control, scale, and sustained business impact. In response, we strengthened our Generative AI Business Services (GBS) to embed intelligence directly into employees' workflows, core operations, and AI-native products.

The emphasis shifted from deploying standalone AI tools to enabling agent-driven systems of action, where AI can reason, act, and execute within clearly defined policy and governance frameworks.

GBS has played a central role in helping organizations consolidate fragmented AI initiatives, reduce risk, and translate AI investments into measurable outcomes across industries. This foundation now enables clients to move faster, operate smarter, and scale AI with confidence.

3) Infrastructure Management & Security Services (IMSS)

IMSS is built on the principle of delivering one integrated capability that keeps enterprise IT environments running, secure, and future-ready across every layer of the technology stack. As enterprises scale across hybrid cloud, distributed workplaces, and AI-driven ecosystems, we provide a unified operating model that brings infrastructure and security together into a single, cohesive fabric ensuring resilience, real-time visibility, and continuous optimization aligned with business outcomes. Today, IMSS supports global enterprises across mission-critical environments, managing complex, always-on IT landscapes where performance, availability, and security are non-negotiable.

On the infrastructure side, our services span the full spectrum from Cloud & Data Center strategy, transformation, and managed operations to Databases & Application Platforms, Digital Workplace, Enterprise Networking, and ITSM & ITOM tools. Whether an enterprise is migrating to the cloud, modernizing its data center, optimizing networks through software-defined architectures, enabling a modern digital workplace, or consolidating IT operations platforms, we engage through a structured Consulting, Transformation, and Managed Services model—guiding organizations from strategy through to steady-state operations. This lifecycle approach ensures that transformation initiatives translate

into measurable outcomes, including improved system availability, faster incident resolution, optimized infrastructure spend, and enhanced digital employee experience.

Underpinning this integrated infrastructure capability is WATCH360, powered by our proprietary ELLIPSE 2.0 proactive operations intelligence platform. Together, they deliver intelligent 24×7 management with real-time observability, predictive insights, and automation at scale. By leveraging AIOps and agentic AI capabilities, we enable a significant reduction in alert noise, faster mean time to resolution (MTTR), and improved operational efficiency, while embedding cost optimization through FinOps principles. Complementing this, ELAIRA, our AI-powered digital co-worker, delivers up to 40% Tier-1 ticket deflection, a 50% reduction in L1/L2 handling time, and improved first-contact resolution, fundamentally reshaping service desk productivity and end-user experience.

Security runs across every layer as a core design principle. Our Security Services Portfolio is organized across three interconnected pillars. The first pillar, Cyber Advisory, Risk and Governance, helps enterprises define robust security strategies, strengthen compliance, and embed resilience into their operating models across global regulatory frameworks. The second pillar, Cyber Defense and Protection, focuses on securing identity, data, cloud, applications, and operational technology environments through Zero Trust architectures, cloud-native security, and DevSecOps practices. The third pillar, Cyber Detection, Response, and Resilience, delivers 24×7 managed security operations with advanced capabilities such as Managed Detection and Response, threat intelligence, and incident response.

These pillars are powered by our advanced platforms, including Secureline360 and SecAIGenie, enabling our SOC 3.0 vision where AI augments human expertise to deliver up to 3× faster threat detection and response, along with proactive threat hunting. Our Cyber Risk Protection Platform (CRPP) acts as a unifying intelligence layer, correlating signals across identity, data, and infrastructure to create a context-aware, continuously learning defense system, a key differentiator in enabling the shift from reactive security to predictive, risk-driven operations.

This integrated, AI-first approach has contributed to renewed growth momentum for IMSS, supported by new global client wins and deeper engagements with large enterprises. The business continues to be recognized by leading industry analysts, including being positioned as a Major Contender in Everest Group's Cybersecurity and Digital Workplace assessments, reinforcing its credibility in delivering next-generation managed services at scale.

Through this combination of platform-led innovation, measurable outcomes, and integrated delivery, IMSS enables enterprises to move beyond traditional IT management toward resilient, intelligent, and self-optimizing digital operations positioning IT not just as a support function, but as a strategic control layer for business performance, risk management, and sustained digital growth.

Our business units are supported by the following Centers of Excellence (CoEs):

- **AI Productivity:** Our AI Productivity CoE enables organizations to unlock measurable value from GenAI and agentic technologies by embedding AI across the software delivery lifecycle. We drive intelligent productivity transformation through structured assessment of current delivery practices, identification of high-impact use cases, and definition of AI-led operating models tailored to enterprise needs.

We design and operationalize AI-native delivery by leveraging reusable accelerators, agentic frameworks such as Rel(AI) Build, and integrated toolchains that enhance development, testing, modernization, and operations. Our approach focuses on augmenting human effort with AI agents to improve speed, quality, and efficiency across all towers.

To ensure scalable and sustainable adoption, we establish governance frameworks, standardize best practices, and enable continuous measurement of productivity and business impact.

- **Analytics / Artificial Intelligence (AI):** Our analytics and AI offering helps organizations design, build, and scale end-to-end AI and data solutions — from intelligent data pipelines, modern data platforms, and actionable insights to predictive models, Generative AI, and process automation — enabling them to transform data into measurable business value.
- **Digital Process Automation (DPA):** Our Digital Process Automation offering encompasses intelligent discovery and diagnostics to identify process and application gaps, along with process optimization and technology consulting. We design and orchestrate autonomous operations through Smart BPM, end-to-end automation delivery, and core GenAI and Agentic AI solutions. To enable scalable adoption, we provide CoE design and setup, automation and agent operations support, and comprehensive business adoption and change management.

- SAP Capability Overview:** Happiest Minds specializes in SAP advisory and transformation, driving SAP initiatives into measurable business outcomes, not just system implementations. With deep industry expertise, we help you build S/4HANA, RISE with SAP, and cloud strategies early in the journey, helping enterprises reduce cost, mitigate risk, and eliminate manual rework.

Backed by a strong pool of certified professionals, including Microsoft Azure, we deliver scalable, resilient, and high impact SAP programs. Our AI-first approach embeds agility, intelligence, and continuous optimization into SAP landscapes—accelerating value realization and enabling future-ready business operations.

Significant Matters Affecting Our Operations

Customer Relationships & Market Opportunity

Customer relationships are the cornerstone of our business strategy and long-term value creation. During FY 2025-26, we sustained a stable active customer base of 300+, reflecting the depth and resilience of our client engagements. Our ability to expand this base and drive broader market adoption of our solutions is closely linked to the pace at which organizations embrace digital transformation. As prospective customers increasingly recognise the strategic value of our offerings in optimising their business processes, we expect this to translate into higher budget allocations for our services — driving new customer acquisition, deeper engagement with existing clients, and, in turn, stronger financial performance.

- Favorable Industry Dynamics**

We continue to benefit from the sustained growth of the global software development services industry, driven by the imperative among large enterprises to modernise and upgrade their technology ecosystems for greater operational efficiency. The growing trend of software companies outsourcing development activities to specialised IT services providers further reinforces this momentum. India, in particular, remains a highly attractive destination for software development services — supported by a large pool of skilled IT professionals, robust digital infrastructure, and a favorable policy environment with strong government incentives.

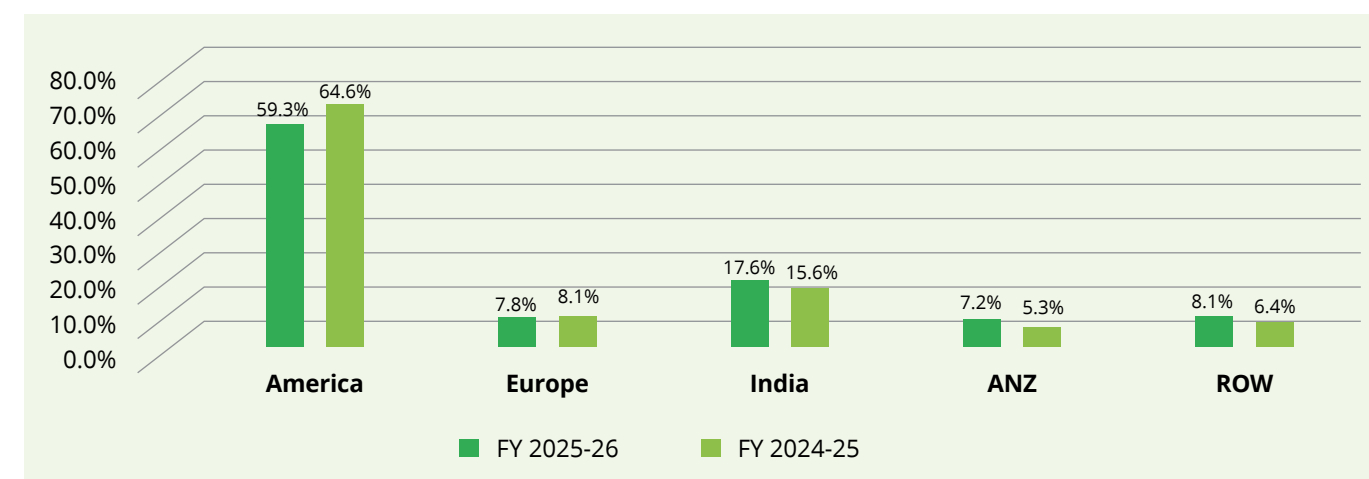
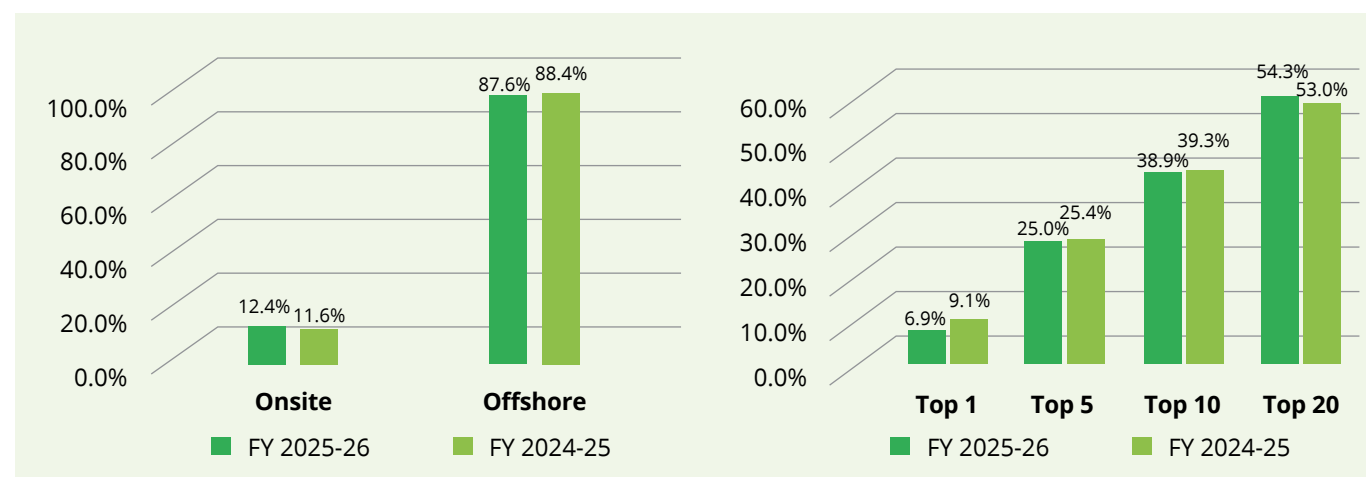
- Expanding Our Customer Base**

We see a significant opportunity to grow our customer base and have made — and will continue to make — purposeful investments to strengthen our go-to-market capabilities and accelerate new customer acquisition. A key area of focus has been enhancing the domain expertise of our sales and marketing organization across our priority business verticals, namely Edutech, HiTech, BFSI, Healthcare & Life Sciences, Industrial/Manufacturing, and Retail, CPG & Logistics — enabling us to deliver deeper, more differentiated value to clients across these sectors.

- Deepening Client Engagement Through Cross-Sell & Upsell**

Our comprehensive portfolio of service offerings, combined with our proven ‘Land and Expand’ strategy, enables us to progressively deepen our presence within client organizations through effective cross-selling and upselling. Our ability to increase revenue from existing customers is influenced by several factors, including the scale and effectiveness of our sales force, the expertise of our professional services teams, the quality of our client relationships, prevailing economic conditions, and customers’ spending priorities. We believe that our ability to nurture enduring customer relationships and continually broaden the scope of our services will remain a critical driver of sustained growth and profitability.

Revenue composition



Management of Employees and Employee Costs

Our ability to recruit, train, retain and effectively deploy IT professionals is a key determinant of our profit margins and overall operational performance. As of March 31, 2026, our IT professional headcount stood at 6,497, compared to 6,632 as of March 31, 2025. During FY 2025-26, attrition among IT professionals exhibited a marginal upward trend.

Sustaining business growth necessitates a corresponding increase in headcount. Achieving the right balance between recruitment and attrition demands careful calibration and proactive workforce planning. Accelerated hiring beyond immediate demand may lead to a decline in utilization and consequent margin erosion, while delayed hiring risks revenue loss. The impact of attrition on business continuity and associated costs is well established. Accordingly, our long-term success is significantly dependent on our ability to attract, develop and retain our Happiest Minds — particularly our highly skilled engineering and IT professionals.

Our employee costs comprise salaries, wages and bonuses, contributions to provident and other funds, employee stock compensation expense, compensated absences, gratuity and staff welfare expenses. Historically, salaries and wages in India, including in the IT services sector, have been lower than those in the United States, Europe and other developed economies. However, should compensation levels in India continue to rise at a pace exceeding that of these economies — driven by heightened competitive pressures — we may experience a disproportionate increase in our employee costs, thereby eroding one of our principal cost advantages over competitors operating from those markets.

In addition, our ability to manage employee costs is significantly influenced by the composition of our international and domestic resource mix. For instance, any increase in visa fees or healthcare insurance costs pertaining to employees based in developed countries such as the United States and Canada would elevate our overall employee cost structure. Training remains both a strategic imperative and a significant cost element. Investing in our people by equipping them with relevant technological skills ahead of demand is vital — not only for enabling their timely and optimal deployment on client engagements but also for fostering sustained engagement and retention. Effective management of all these workforce dimensions remains critical to the continued success of Happiest Minds Technologies.

Foreign currency fluctuations

Since most of our revenue is in foreign currency, we carry foreign exchange risks on transactions and translation. Although our foreign currency expenses partly provide a natural hedge, we are exposed to foreign exchange rate risk in respect of revenue, or expenses entered into a currency where corresponding expenses or revenue are denominated in different currencies. Major currencies in which we have exposures are US Dollars, Euro, British Pound Sterling, Emirati Dirham, Australian Dollars and Singapore Dollars. We have put in place an active foreign exchange hedging policy to mitigate the risks arising out of foreign exchange fluctuations. In addition, the overall competitiveness of the Indian IT industry in the global market is also significantly dependent on favorable exchange rates.

Financial conditions

Assets

1. Tangible and intangible assets

	₹ lakhs	
	FY 2025-26	FY 2024-25
Property, plant, and equipment	13,476	14,096
Right-of-use assets	6,056	6,958
Other intangible assets	19,939	23,831
Intangible assets under development	165	18
Goodwill	77,728	76,230
Total	1,17,364	1,21,133

Property, plant, and equipment:

During the year FY26, additions to Property, plant, and equipment is ₹263 lakhs. The major additions are computer systems.

Right-of-use assets:

Right of use assets have been recognized at ₹6,056 lakhs as on March 31, 2026. These assets are primarily related to office premises of the acquired entities, laptops purchased on lease and motor vehicles bought on lease. These expansions and additions are in line with overall growth.

Other intangible assets:

Other intangible assets as on March 31, 2026, is ₹19,939 lakhs. These other intangible assets include i) intangible assets such as trademark, non-compete, customer relationships, exclusive license which are acquired in a business combination. These are initially recorded at fair value on the date of acquisition and are amortized over estimated useful life (refer table below for use life of other intangible assets) and ii) software licenses which are bought for perpetual use. Increase in other intangible assets during FY26 is on account of purchase of computer software.

Below is the useful life of other intangible assets:

Assets	Useful life
Computer software	2.5-3 years
Non-compete fees	3 years
Customer relations	3-7 years
Trademark	2-3 years
Exclusive license	2 years

Goodwill:

The carrying value of goodwill as on March 31, 2026, is ₹77,728 lakhs. This includes ₹611 lakhs relating to the business acquisition of Cupola Technology Private Limited, ₹9,116 lakhs relating to the business acquisition of Happiest Minds Inc. (formerly known as PGS Inc.), ₹5,404 lakhs relating to the business acquisition of Sri Mookambika Infosolutions Private Limited (SMI), ₹56,741 lakhs of PureSoftware, ₹5,432 lakhs of Aureus and ₹424 lakhs pertaining to GAVS Technologies.

This goodwill is tested for impairment annually by the Company and during the year there is no impairment of goodwill.

2. Trade receivables

Trade receivables amounted to ₹39,027 lakhs (net of provision for doubtful debt of ₹2,194 lakhs) as on March 31, 2026, in comparison to ₹35,813 lakhs (net of provision for doubtful debt of ₹2,635 lakhs) as on March 31, 2025.

Days Sales Outstanding is at 94 days as on March 31, 2026, as compared to 88 days as on March 31, 2025.

3. Other current and non-current assets

	FY 2025-26			FY 2024-25		
	Current	Non-Current	Total	Current	Non-Current	Total
Other Financial assets	16,684	27,501	44,185	17,726	7,358	25,084
Other assets:						
Income tax assets (net)	-	5,389	5,389		3,537	3,537
Deferred tax assets (net)	-	4,408	4,408	-	3,613	3,613
Loans	33	-	33	12	-	12
Other assets	10,188	294	10,481	5,682	170	5,852
Total other assets	10,220	10,091	20,311	5,694	7,320	13,015
Total	26,904	37,592	64,496	23,420	14,679	38,099

Other financial assets majorly include unbilled revenue (unbilled revenue for fixed price contract included in other assets), fixed deposit with maturity period more than 12 months (this is classified as non-current other financial assets), interest accrued on fixed deposits and cash flow hedges on foreign currency forward contract & cross-currency interest rate swap.

Total Other financial assets increased to ₹44,185 lakhs as on March 31, 2026, from ₹25,084 lakhs as on March 31, 2025, mainly on account of increase in fixed deposits with maturity over 12 months and increase in unbilled receivables. Days of sales outstanding of unbilled revenue (including that classified as non-financial asset) is 32 days as on March 31, 2026, compared to 28 days as on March 31, 2025.

Other assets majorly include unbilled revenue for fixed price contracts and prepaid expenses. As required under Ind AS 115 'revenue from contracts with customers, unbilled revenue for fixed-price contracts, where the contractual right to consideration is dependent on completion of contractual milestones and not upon passage of time, is classified as non-financial asset.

Other assets increased to ₹20,311 lakhs as on March 31, 2026, from ₹13,015 lakhs as on March 31, 2025, mainly on account of prepaid expenses & contract assets.

4. Investments, cash and cash equivalents

	₹ lakhs	
	FY 2025-26	FY 2024-25
Other financial assets - non-current	-	-
Investment in mutual funds	50,352	35,039
Bank balances other than cash and cash equivalent	79,305	93,911
Cash and cash equivalent	11,966	11,912
Total	1,41,623	1,40,862

The Company has classified fixed deposits and margin money deposits: i) with maturity date more than 12 months under 'Other financial assets - noncurrent' and ii) with maturity date less than 3 months under 'Bank balances other than cash and cash equivalent'

The Company has invested in mutual funds ₹50,352 lakhs as on March 31, 2026, by liquidating fixed deposits. The weighted average rate of return for FY 2025-26 is 6.28% as against 8.20% in FY 2024-25.

Cash and cash equivalents include both rupee accounts and foreign currency accounts with banks. The bank balances in overseas accounts are maintained to meet the expenditure of the overseas operations.

Bank balances other than cash and cash equivalent are term deposits, in rupee having maturity of more than 3 months.

Liabilities

1. Share capital

	₹ lakhs	
	FY 2025-26	FY 2024-25
Authorized:		
22,93,00,000 equity shares of ₹2/- each (Previous year: 22,93,00,000 equity shares)	4,586	4,586
Issued, subscribed and fully paid up:		
15,02,61,936 equity shares of ₹2/- each (Previous year: 15,00,46,867 equity shares of ₹2/- each)	3,005	3,001
Total	3,005	3,001

2. Other equity

	₹ lakhs	
	FY 2025-26	FY 2024-25
Securities premium	90,654	90,582
Retained earnings	76,784	64,487
Other reserves	(1,494)	(612)
Total	1,65,944	1,54,457

Other equity at the end of March 31, 2026, stood at ₹1,65,944 lakhs as against ₹1,54,457 lakhs as at March 31, 2025. The retained earnings increased to ₹76,784 lakhs as at March 31, 2026, from ₹64,487 lakhs as at March 31, 2025, on account of net profit for the year, reduced by dividend paid.

3. Financial liabilities

	₹ lakhs					
	FY 2025-26			FY 2024-25		
	Current	Non-Current	Total	Current	Non-Current	Total
Borrowings	1,06,974	34,292	1,41,267	82,554	33,537	1,16,090
Lease liabilities	3,293	4,106	7,399	3,258	5,010	8,268
Other financial liabilities	8,676	2,131	10,807	14,526	8,330	22,856
Trade payables	9,651	-	9,651	10,481	-	10,481
Total	1,28,594	40,529	1,69,124	1,10,818	46,877	1,57,695

Total borrowings as of March 31, 2026, is ₹1,41,267 lakhs as against ₹1,16,090 lakhs as of March 31, 2025. The increase on account of the amount borrowings for acquisition.

Total lease liabilities as of March 31, 2026, is ₹7,399 lakhs as against ₹8,268 lakhs as of March 31, 2025. The increase in lease liabilities is majorly on account of the expansion of facility centers in Hyderabad, Chennai and extension of lease facility in Noida.

Other financial liabilities include contingent consideration measured at fair value, hedge reserve and employee related liabilities such as provision for variable pay.

4. Other liabilities

	FY 2025-26			FY 2024-25		
	Current	Non-Current	Total	Current	Non-Current	Total
Provisions	3,811	8,914	12,725	3,519	5,940	9,459
Deferred tax liabilities (net)	-	3,940	3,940	-	4,841	4,841
Income tax liabilities (net)	315	-	315	422	-	422
Contract liabilities	3,401	-	3,401	2,194	-	2,194
Other current liabilities	4,058	-	4,058	3,836	-	3,836
Total	11,585	12,854	24,439	9,972	10,781	20,753

Provisions comprise of employee benefits on account of compensated absences and post-retirement benefits such as gratuity. Total provision as of March 31, 2026, stood at ₹12,725 lakhs as against ₹9,459 lakhs as on March 31, 2025. The main reason for increase being implementation of new wage code.

Contract liabilities include unearned revenue, and other current liabilities include statutory dues payable to government authorities like TDS, PF, Professional Tax etc.

Results of our consolidated operations

	FY 2025-26		FY 2024-25	
	₹ lakhs	% of total income	₹ lakhs	% of total income
Income				
Revenue from contracts with customers	2,31,511	96.5%	2,06,084	95.3%
Other income	8,497	3.5%	10,138	4.7%
Total income	2,40,008	100.0%	2,16,222	100.0%
Expenses				
Employee benefits expense	1,56,095	65.0%	1,36,534	63.1%
Depreciation and amortisation	8,819	3.7%	8,870	4.1%
Finance costs	9,736	4.1%	9,948	4.6%
Other expenses	35,078	14.6%	34,108	15.8%
Total expenses	2,09,728	87.4%	1,89,460	87.6%
Profit before exceptional items and tax	30,280	12.6%	26,762	12.4%
Exceptional items: charge / (credit)	1,859	0.8%	1,216	0.6%
Profit before tax	28,421	11.8%	25,546	12.1%
Tax expense	7,159	3.0%	7,080	0.0%
Profit for the year	21,262	8.9%	18,466	12.4%
Other comprehensive income for the year, net of tax	(1,043)	(0.4)%	(609)	(0.3)%
Total comprehensive income for the year	20,219	8.4%	17,857	12.4%
Profit for the year	21,262		18,466	
Attributable to:				
Equity holders of the parent	21,262		18,466	
Non-controlling interests	-		-	
Total comprehensive income for the year	20,219		17,857	
Attributable to:				
Equity holders of the parent	20,219		17,857	
Non-controlling interests	-		-	
Earnings per equity share				
Equity shares of par value ₹2/- each				
Basic (₹)	14.12		12.26	
Diluted (₹)	14.11		12.26	

Comparison between FY 2026 and FY 2025

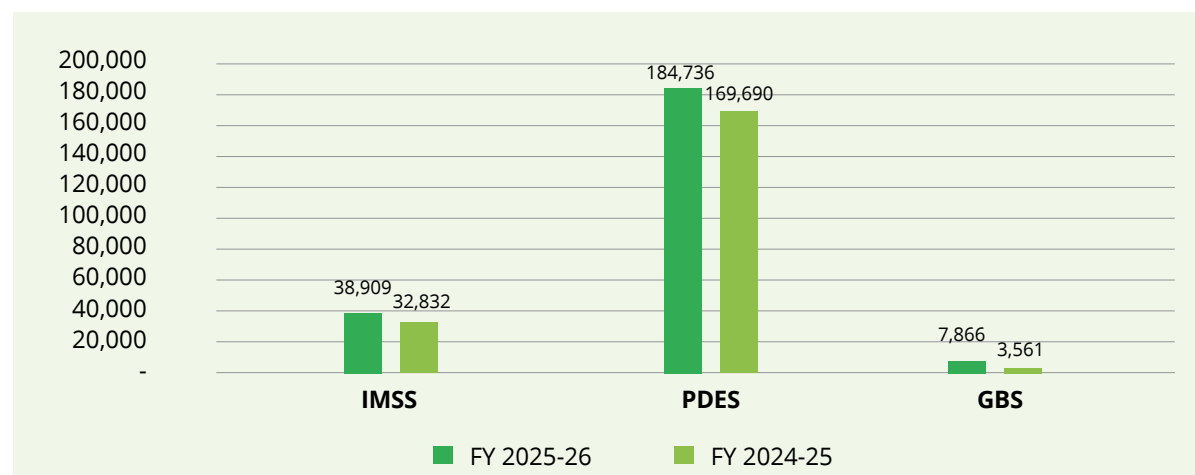
1. Income

a. Revenue from contracts with customers

	₹ lakhs	
	FY 2025-26	FY 2024-25
Sale of service	2,30,737	2,03,585
Sale of licenses (net)	774	2,500
	2,31,511	2,06,084

During the year revenue from contracts with customers grew by 12.3% from ₹2,06,084 lakhs in FY 2024-25 to ₹2,31,511 lakhs in FY 2025-26. Main factors that led to the increase in revenue are i) Favorable exchange rate: In FY26 USD to ₹ rate depreciated by, on an average, by 4.6% during the year. This contributed to the portion of the increase in revenue ii) Improved billing rates: During the year we could bill our customers at a better rate than FY25. iii) Acquisitions made during the previous year contributed to revenue growth.

Our revenue from contracts with customers is generated from three business units, namely: Product and Digital Engineering Services (PDES), Infrastructure Management & Security Services (IMSS), Generative AI Business Services (GBS). For Details Refer Business Overview section



Our revenue from Infrastructure Management & Security Services increased by 18.5% from ₹32,832 lakhs in FY 2024-25 to ₹38,909 lakhs in FY 2025-26. Revenue from Product and Digital Engineering Services increased by 8.9% from ₹1,69,691 lakhs in FY 2024-25 to ₹1,84,736 lakhs in FY 2025-26. Revenue from Generative AI Business Services increased by 120.8% from ₹3,562 lakhs in FY 2024-25 to ₹7,866 lakhs in FY 2025-26.

b. Other income

	₹ lakhs	
	FY 2025-26	FY 2024-25
Interest income	6,112	8,976
Gain on sale of investments measured at FVTPL	2,515	1,240
Exchange gain / (loss)	(611)	(338)
Rent concession	-	-
Miscellaneous income	481	260
Total other income	8,497	10,138

Other income consists of income from investment, foreign exchange gain / (loss) and miscellaneous income. During the FY 2025-26, other income decreased to ₹8,497 lakhs from ₹10,138 lakhs in FY 2024-25.

Income from investment:

Income from investment primarily includes interest on fixed deposits in various banks. Interest from fixed deposits is lower in FY 2025-26 compared to interest in FY 2024-25 mainly on account of switching of investment from Fixed deposit to Mutual funds. However, due to geo-political situation during last quarter of the year, there was significant decline in return on mutual fund.

Foreign exchange gain / (loss):

To mitigate our foreign exchange risk, we have a long-term hedging policy. We hedge exposures in major currencies such as the US dollar and the GBP. Our hedging policy runs on a net exposure basis, typically on a rolling 12 months basis. These hedges provide payments by banks to us in the situations where the spot exchange rate on maturity is lower than the rate at which hedges were entered and payment by us to the banks in situations where the spot exchange rate on maturity is higher than the rate at which the hedges were entered. Our foreign exchange loss increased to ₹612 lakhs for FY 2025-26 as against loss of ₹338 lakhs in FY 2024-25. This is mainly due to ₹ depreciation during the year resulted in decreased realized gains.

2. Expenses:

a. Employee benefits expense

	₹ lakhs	
	FY 2025-26	FY 2024-25
Salaries, wages and bonus	1,44,984	1,27,226
Contribution to provident fund	6,475	5,882
Share based payment expense	611	-
Gratuity expense	2,004	1,280
Compensated absences	1,284	1,485
Staff welfare expenses	737	660
Total employee benefits expense	1,56,095	1,36,534

Employee benefit expenses comprise salaries (including overseas); staff welfare; contributions to provident and other funds, and gratuity funds. Our employee benefit expenses increased by 14.3% to ₹1,56,095 lakhs for the FY 2025-26 from ₹1,36,534 lakhs for the FY 2024-25. The increase is on account of the RSUs being issued to employees during the year, increase in gratuity expense due to new wage code and increments. This has also resulted in higher contributions to the provident and other funds, social security and payroll taxes.

b. Depreciation and amortization

	₹ lakhs	
	FY 2025-26	FY 2024-25
Depreciation of property, plant and equipment	878	863
Amortisation of intangible assets	4,589	4,827
Depreciation of right-of-use assets	3,352	3,180
Total depreciation and amortisation expense	8,819	8,870

Tangible and intangible assets including Right of Use assets are amortized over periods corresponding to their estimated useful lives. Our depreciation and amortization expense decreased by 0.6% to ₹8,819 lakhs for the FY 2025-26 from ₹8,870 lakhs for the FY 2024-25. The decrease in amortization of intangible assets is primarily due to end of life of few intangible assets which were recognized on consolidation of subsidiaries.

c. Finance costs

	₹ lakhs	
	FY 2025-26	FY 2024-25
Interest on borrowings	7,965	7,259
Interest on non-convertible debenture	636	1,125
Interest on lease liabilities	677	727
Unwinding of interest in contingent consideration	80	526
Unwinding interest on OCRPS	378	311
Total finance costs	9,736	9,948

Finance costs consist of interest on borrowing (both long term and short term), interest on non-convertible debentures, interest on lease liabilities and unwinding interest in contingent consideration. During FY 2025-26 finance cost decreased to ₹9,736 lakhs from ₹9,948 lakhs in FY 2024-25. The decrease is primarily because of the repayment of NCD during the year and payment of contingent consideration during the year.

d. Other expenses

	₹ lakhs	
	FY 2025-26	FY 2024-25
Power and fuel	499	514
Subcontractor charges	14,169	13,826
Repairs and maintenance	1,021	789
Rent expenses	771	631
Advertising and business promotion expenses	1,056	1,018
Commission	50	73
Communication costs	274	278
Insurance	164	182
Legal and professional fees	1,775	2,309
Audit fees	187	178
Loss on property, plant and equipment sold / scrapped, net	-	-
Software license cost	7,043	6,092
Rates and taxes	357	217
Recruitment charges	1,327	763
Impairment loss allowance on trade and unbilled receivables	734	1,590
Commission& Sitting fees to non-executive directors	165	125
CSR expenditure	736	655
Travelling and conveyance	4,088	3,957
Postage and courier	55	58
Training expense	367	445
Provision for doubtful loans and advances	49	-
Miscellaneous expenses	191	408
Total Expenses	35,078	34,108

Other expenses primarily comprise of (i) subcontractor charges, (ii) software license cost, (iii) travelling and conveyance, (iv) Recruitment charges and (v) Advertisement and business promotion expenses. During the year other expenses increased by 2.8% to ₹35,078 lakhs in FY 2024-25 from ₹34,108 lakhs in 2024-25. The increase was due to higher subcontractor charges, software license cost, travelling and conveyance, Recruitment charges.

3. Profit before exceptional items and tax:

Our profit before exceptional items and tax increased by 13.1% to ₹30,280 lakhs for the FY 2025-26 from ₹26,762 lakhs for the FY 2024-25.

4. Exceptional items:
FY 2025-26:

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

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

On May 22, 2024, the Group acquired 100% equity interest of PureSoftware Technologies Private Limited ('PSTPL'). The Group paid a total cash consideration of ₹64,229 lakhs towards the acquisition. As a result of this acquisition, the Group has recorded goodwill of ₹56,740 lakhs and other intangible assets of ₹15,718 lakhs, and a contingent considerations of ₹10,814 lakhs. Costs incurred on the acquisition of about ₹605 lakhs has been grouped under "Other expenses". The Group re-measured the fair value of the second-year contingent consideration, and the change in fair value of ₹1,247 lakhs has been recognized as a loss in the Statement of Profit and Loss and disclosed as an 'Exceptional Item' for the current quarter and year ended March 31, 2026

On May 24, 2024, the Group acquired 100% membership interest in Aureus Tech Systems LLC ('Aureus'). The Group paid a total cash consideration of ₹7,149 lakhs towards the acquisition. As a result of this acquisition, the Group has recorded goodwill of ₹4,783 lakhs and other intangible assets of ₹4,398 lakhs, and a contingent considerations of ₹2,425 lakhs. The Group incurred acquisition cost of ₹38 lakhs and it is grouped under "Other expenses". The Group has re-measured the second-year contingent consideration, and the change in fair value amounting to ₹1,591 lakhs as at March 31, 2026 has been recognized as a gain in the Statement of Profit and Loss and disclosed as an 'Exceptional Item' for the quarter and year ended March 31, 2026.

FY 2024-25:

On May 22, 2024, the Group acquired 100% equity interest of PureSoftware Technologies Private Limited ('PSTPL'). The Group paid the cash consideration of ₹63,742 lakhs and ₹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 ₹56,373 lakhs and other intangible assets of ₹15,553 lakhs, and a contingent considerations of ₹10,814 lakhs. Costs incurred on the acquisition of about ₹605 lakhs has been grouped under "Other expenses". The Group has re-measured the first year contingent consideration and the change in fair value of ₹2,344 lakhs has been recognized in the statement of profit and loss and disclosed as an 'Exceptional Item' for the quarter and year ended March 31, 2025.

On May 24, 2024, the Group acquired 100% membership interest in Aureus Tech Systems LLC ('Aureus'). The Group paid cash consideration of ₹6,608 lakhs and ₹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 ₹4,783 lakhs and other intangible assets of ₹4,398 lakhs, and a contingent considerations of ₹2,425 lakhs. The Group incurred acquisition cost of ₹38 lakhs and it is grouped under "Other expenses". The Group has re-measured the first year contingent consideration and the change in fair value of ₹(1,128) lakhs has been recognized in the statement of profit and loss and disclosed as an 'Exceptional Item' for the quarter and year ended March 31, 2025.

5. Profit before tax:

Our profit before tax increased by 11.3% to ₹28,421 lakhs for the FY 2025-26 from ₹25,546 lakhs for the FY 2024-25.

6. Tax expenses:

Income tax expense comprises current tax and deferred tax. Current tax is the amount expected to be paid to the tax authorities in accordance with the applicable tax laws in relevant jurisdictions. Deferred tax assets and liabilities reflect the impact of temporary differences arising between the tax base of assets and liabilities and their carrying amounts in the financial statements as well as other deferred tax assets recognized and carried forward to the extent there is a reasonable certainty that sufficient future taxable income will be available. During the year, current tax expense increased to ₹7,159 for the FY 2025-26 from ₹7,080 lakhs for the FY 2024-25 mainly on account of increase in profit.

7. Profits for the year:

As a result of the foregoing factors, our net profit increased by 15.1% to ₹21,262 lakhs for the FY 2025-26 from ₹18,466 lakhs for the FY 2024-25.

Liquidity

The Company continues to maintain a healthy liquidity position for the year, meeting the cash requirements through its internal accruals. Apart from cash and cash equivalents, the Company's overall investment position in mutual funds and bank deposits stands at ₹1,55,936 lakhs as on March 31, 2026 in comparison to ₹1,34,893 lakhs as on March 31, 2025. The table below summarizes our consolidated cash flows.

	₹ lakhs	
	2025-26	2024-25
Net cash flows from operating activities	26,141	23,642
Net cash flows used in investing activities	(12,129)	(76,216)
Net cash flows from/(used) in financing activities	(14,372)	49,945
Net increase / (decrease) in cash and cash equivalents	(360)	(2,628)
Cash and cash equivalents at the beginning of the period	11,912	11,470
Net foreign exchange difference	414	19
Cash acquired on acquisition of subsidiary	-	3,624
Less : Bank overdraft at the beginning of the year	-	(573)
Cash and cash equivalents at the end of the period	11,966	11,912

1. Operating activities

Our net cash flows from operating activities were ₹26,141 lakhs in FY 2026. Our operating cash flow before working capital changes was ₹39,456 lakhs in FY 2026, which was primarily adjusted by depreciation/ amortisation of property, plant and equipment, intangibles and right-of-use assets of ₹8,819 lakhs, Loss on derecognition of contingent consideration of ₹344 lakhs and finance cost of ₹9,736 lakhs, partially offset by interest income of ₹6,112 lakhs. Our movements in working capital primarily consisted of increase in trade receivables of ₹2,602 lakhs, increase in trade payables of ₹1,228 lakhs, increase in financial assets of ₹859 lakhs and decrease in financial liabilities of ₹549 lakhs.

2. Investing activities

Net cash flow used in investing activities was ₹12,129 lakhs. This was primarily due to investment in bank deposits of ₹5,390, net investment in Mutual funds of ₹12,798 which is partially offset by interest income of ₹6,734 lakhs.

3. Financing activities

Net cash used in financing activities was ₹14,372 lakhs. This was primarily due to payment of contingent consideration of ₹16,489 lakhs, payment of dividend of ₹9,391 lakhs, repayment of lease liability of ₹4,061 lakhs, interest cost of ₹8,456 lakhs which is partially offset by proceeds from short-term borrowings of ₹17,299 lakhs and net proceeds from long-term borrowings of ₹6,679 lakhs.

Internal Control

Happiest Minds has established a comprehensive internal control framework that is commensurate with the size, scale, and complexity of its operations. A structured mechanism is in place to periodically apprise Senior Management and the Audit Committee of the Board on internal audit findings, including observations relating to internal controls and the status of statutory compliances. Business and functional heads are accountable for designing, implementing, and maintaining effective internal controls within their respective areas. The Company has defined standard operating procedures and internal control manuals, which are regularly reviewed and updated to reflect evolving business needs and regulatory requirements.

In accordance with the provisions of the Companies Act, 2013, the Company has instituted robust internal financial controls across all levels of the organization. These controls are designed to ensure adherence to internal policies, regulatory compliance, and accurate and timely recording of financial and operational information. The internal audit function conducts periodic audits across various business units, including assessments of the design and operating effectiveness of internal controls. The Audit Committee provides oversight of the internal audit function, ensuring its independence and effectiveness.

Risk and Mitigation Approaches

Organization level risks and mitigation approaches are covered under section "Risks and Opportunities".

CORPORATE GOVERNANCE REPORT

I. Brief Statement on Company's Philosophy on Code of Corporate Governance

Happiest Minds' philosophy on Corporate Governance is to create and conduct a sustainable, growing business with the highest standards of integrity, transparency, and accountability for high stakeholder value while duly complying with all applicable laws and regulations.

Happiest Minds firmly believes that Corporate Governance is critical to the success of its business and its governance practices are reflected in its strategy, culture, policies, and relationships with stakeholders.

II. Board of Directors

The Board of Directors of Happiest Minds as on March 31, 2026, comprised seven (7) Directors with an optimum combination of Executive and Non-Executive Directors, i.e., three Executive Directors and four Non-Executive Independent Directors, including two woman Directors, and each of them is a professional in their respective areas of specialization and have held/holding eminent positions. The Board Members are not related to each other, and the number of Directorships/Committee memberships held by Executive and Non-Executive Independent Directors is within the permissible limits under SEBI (LODR) Regulations, 2015, and the Companies Act, 2013.

(a) Composition of Board of Directors

The composition and category of Directors as on March 31, 2026:

Sl. No.	Name of the Director	Category	Number of Other Directorships Held in Other Public Companies	Number of Committee Membership Held in Other Public Companies (Limited to Only Audit and Stakeholders' Relationship Committees)		No and % of Equity Shares Held in the Company (%)
				As Chairperson	As Member	
1	Ashok Soota	Promoter & Executive Director	Nil	Nil	Nil	6,71,94,571 (44.13%) ¹
2	Joseph Anantharaju	Executive Director	Nil	Nil	Nil	3,75,000 (0.25%)
3	Venkatraman Narayanan	Executive Director	Nil	Nil	Nil	2,55,000 (0.17%)
4	Rajiv Shah ²	Executive Director	Nil	Nil	Nil	1,20,000 (0.079%)
5	Anita Ramachandran	Non-Executive Independent Director	7	3	7	Nil
6	Rajendra Kumar Srivastava	Non-Executive Independent Director	1	Nil	1	Nil
7	Shuba Rao Mayya	Non-Executive Independent Director	3	1	5	Nil
8	Mittu Sridhara	Non-Executive Independent Director	2	1	1	Nil

¹ Including shares held in the name of Ashok Soota Medical Research LLP

² Ceased to be Executive Director w.e.f. December 31, 2025

Directorship in other listed entities as on March 31, 2026:

Sl. No.	Name of the Director	Directorship in other listed entities	Category of Directorship
1	Ashok Soota	Nil	NA
2	Joseph Anantharaju	Nil	NA
3	Venkatraman Narayanan	Nil	NA
4	Rajiv Shah ¹	Nil	NA
5	Anita Ramachandran	1. Grasim Industries Limited 2. Ultratech Cements Limited 3. FSN E-Commerce Ventures Limited 4. Blue Star Limited 5. Aditya Birla Sun Life AMC Ltd	Independent Director Independent Director Independent Director Independent Director Independent Director
6	Rajendra Kumar Srivastava	Solara Active Pharma Sciences Limited	Independent Director
7	Shuba Rao Mayya	1. Stove Kraft Limited 2. Le Travenues Technology Limited	Independent Director Independent Director
8	Mittu Sridhara	FSN E-Commerce Ventures Limited	Independent Director

¹ Ceased to be Executive Director w.e.f. December 31, 2025

During the financial year 2025-26, nine (9) meetings of the Board were held, and the gap between meetings did not exceed 120 days. The Board Meetings are prescheduled, and adequate notice is given to the Board members. Board Meetings are generally held at the Company's registered office and can be attended either in person or via video conference.

These Board Meetings were held on April 02, 2025; May 12, 2025; June 12, 2025; July 29, 2025; August 27, 2025; October 28, 2025; January 20, 2026; February 09, 2026 and March 09, 2026. The necessary quorum was present for all the meetings.

(b) Core Skills/Expertise/Competencies of the Board of Directors

The Directors of the Company bring a wide range of skills and experience to the Board, enhancing the quality of the Board decision-making process. The following are the core skills, expertise and competencies identified for effective functioning of the Board and the names of Directors who have such skills/expertise/competence:

Name of the Director	Interpersonal skills and personal qualities/values	Information Technology business & industry knowledge	Legal, regulatory, and financial knowhow	Strategic and analytical mindset	Leadership, Management & Governance
Ashok Soota	✓	✓	✓	✓	✓
Joseph Anantharaju	✓	✓	✓	✓	✓
Venkatraman Narayanan	✓	✓	✓	✓	✓
Rajiv Shah ¹	✓	✓	✓	✓	✓
Anita Ramachandran	✓	✓	✓	✓	✓
Rajendra Kumar Srivastava	✓	✓	✓	✓	✓
Shuba Rao Mayya	✓	✓	✓	✓	✓
Mittu Sridhara	✓	✓	✓	✓	✓

¹ Ceased to be Executive Director w.e.f. December 31, 2025

(c) Attendance of Directors at the Board Meetings and Annual General Meeting (AGM) held during the financial year 2025-26:

Name of the Director	Board Meetings entitled to attend	Board Meetings attended	Whether present at AGM held on July 29, 2025
Ashok Soota	9	9	Yes
Joseph Anantharaju	9	8	Yes
Venkatraman Narayanan	9	9	Yes
Rajiv Shah ¹	6	4	No
Anita Ramachandran	9	9	Yes
Rajendra Kumar Srivastava	9	9	Yes
Shuba Rao Mayya	9	9	Yes
Mittu Sridhara	9	9	Yes

¹ Ceased to be Executive Director w.e.f. December 31, 2025

(d) Independent Directors

The Board is of the opinion that the Independent Directors fulfil the conditions specified in the Companies Act, 2013, and SEBI (LODR) Regulations, 2015 and that they are independent of the management.

During the financial year 2025-26, two (2) meetings of the Independent Directors were held on June 12, 2025 and January 19, 2026, inter alia to review the Audit strategies, performance of the Board, Risk and administrative matters and succession planning, and the meeting was attended by all the Independent Directors.

The familiarization program and other disclosures as specified under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 are available on the Company's website at [Happiest Minds Technologies Disclosures Reports](#)

No Independent Director had resigned during the financial year 2025-26.

(e) CEO/CFO Certification

As required under Regulation 17 (8) of SEBI (LODR) Regulations, the CEO/CFO has certified to the Board that the Financial Statements for the financial year ended March 31, 2026, do not contain any untrue statement and that these statements represent a true and fair view of the Company's affairs and other matters as specified thereunder. A copy of the Certificate is attached as Annexure I to this Report.

(f) Code of Conduct for Directors and Senior Management Personnel

The Company has adopted a Code of Conduct for the Board of Directors and Senior Management Personnel to ensure the Company's business is conducted with the highest standards of ethics and values in accordance with the applicable laws, regulations and rules and is critical to the Company's success. The Code is available on the Company's website at <https://www.happiestminds.com/investors/policy-documents/>

All the Board Members and Senior Management Personnel have affirmed compliance with the Code. A declaration signed by the CEO/CFO to this effect is enclosed as part of Annexure I to this Report.

III. Audit Committee

(a) Terms of Reference

The Audit Committee has inter alia the following mandate:

- Oversight of the Company's financial reporting process, examination of the financial statement and the auditors' report thereon and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
- Recommendation for appointment, re-appointment and replacement, remuneration and terms of appointment of auditors, including the internal auditor, cost auditor and statutory auditor, of the Company and the fixation of audit fee.

- Approval of payments to Statutory Auditors for any other services rendered by the Statutory Auditors of the Company.
- Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:
 - Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act;
 - Changes, if any, in accounting policies and practices and reasons for the same;
 - Major accounting entries involving estimates based on the exercise of judgment by the management of the Company;
 - Significant adjustments made in the financial statements arising out of audit findings;
 - Compliance with listing and other legal requirements relating to financial statements;
 - Disclosure of any related party transactions; and
 - Qualifications/modified opinion(s) in the draft audit report.
- Reviewing, with the management, the quarterly, half-yearly and annual financial statements before submission to the Board for approval.
- Reviewing, with the management, the statement of uses/application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue or preferential issue or qualified institutions placement, and making appropriate recommendations to the Board to take up steps in this matter.
- Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process.
- Formulating a policy on related party transactions, which shall include the materiality of related party transactions.
- Approval or any subsequent modification of transactions of the Company with related parties and omnibus approval for related party transactions proposed to be entered into by the Company subject to such conditions as may be prescribed.
- Review, at least on a quarterly basis, the details of related party transactions entered into by the Company pursuant to each of the omnibus approvals given.
- Scrutiny of inter-corporate loans and investments.
- Valuation of undertakings or assets of the Company, wherever it is necessary.
- Evaluation of internal financial controls and risk management systems.
- Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems.
- Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
- Discussion with internal auditors of any significant findings and follow-up thereon.

17. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board.
18. Discussion with Statutory Auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
19. Looking into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors.
20. Recommending to the board of directors the appointment and removal of the external auditor, fixation of audit fees and approval for payment for any other services.
21. Reviewing the functioning of the whistle-blower mechanism.
22. Approval of the appointment of the Chief Financial Officer of the Company ("CFO") (i.e., the whole-time finance director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc., of the candidate.
23. Consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders.
24. To formulate, review and make recommendations to the Board to amend the Audit Committee charter from time to time.
25. Establishing a vigil mechanism for directors and employees to report their genuine concerns or grievances; and
26. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.
27. Reviewing the utilization of loans and/or advances from/investment by the holding company in the subsidiary exceeding rupees 100 cr or 10% of the asset size of the subsidiary, whichever is lower.
28. Such roles as may be prescribed under the Companies Act and SEBI Listing Regulations.

(b) Number of Meetings: During the financial year 2025-26, four (4) meetings were held i.e., on May 12, 2025; July 28, 2025; October 28, 2025; and February 09, 2026.

(c) Composition of the Committee and Meetings attended by each member:

Name of the Member	Category	Position	Meetings	
			Held	Attended
Shuba Rao Mayya	Independent Director	Chairperson	4	4
Anita Ramachandran	Independent Director	Member	4	4
Rajendra Kumar Srivastava	Independent Director	Member	4	4
Venkatraman Narayanan	Executive Director	Member	4	4

IV. Nomination, Remuneration and Board Governance Committee

(a) Terms of Reference

The Nomination, Remuneration and Board Governance Committee has inter alia the following mandate:

1. Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy relating to the remuneration of the directors, key managerial personnel and other employees.
2. Formulation of criteria for evaluation of performance of Independent Directors and the Board.
3. Devising a policy on Board diversity.

4. Identifying persons who are qualified to become directors of the Company and who may be appointed in senior management in accordance with the criteria laid down and recommend to the Board their appointment and removal. The Company shall disclose the remuneration policy and the evaluation criteria in its annual report.
5. Analysing, monitoring and reviewing various human resource and compensation matters.
6. Determining the Company's policy on specific remuneration packages for executive directors including pension rights and any compensation payment and determining remuneration packages of such directors.
7. Recommending the remuneration, in whatever form, payable to the senior management personnel and other staff (as deemed necessary).
8. Reviewing and approving compensation strategy from time to time in the context of the then current Indian market in accordance with applicable laws.
9. Determining whether to extend or continue the term of appointment of the Independent Director, on the basis of the report of performance evaluation of Independent Directors.
10. Perform such functions as are required to be performed by the compensation committee under the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021.
11. Administering the employee stock option scheme/plan approved by the Board and shareholders of the Company in accordance with the terms of such scheme/plan ("ESOP Scheme").
12. Construing and interpreting the ESOP Scheme and any agreements defining the rights and obligations of the Company and eligible employees under the ESOP Scheme, and prescribing, amending and/or rescinding rules and regulations relating to the administration of the ESOP Scheme.
13. Framing suitable policies, procedures and systems to ensure that there is no violation of securities laws, as amended from time to time.
14. Performing such other activities as may be delegated by the Board and/or are statutorily prescribed under any law to be attended to by the Nomination, Remuneration and Board Governance Committee.
15. Such terms of reference as may be prescribed under the Companies Act and SEBI Listing Regulations.

(b) Number of Meetings: During the financial year 2025-26, three (3) meetings were held, i.e., on April 02, 2025; May 12, 2025; and July 29, 2025.

(c) Composition of the Committee and Meetings attended by each member:

Name of the Member	Category	Position	Meetings	
			Held	Attended
Anita Ramachandran	Independent Director	Chairperson	3	3
Rajendra Kumar Srivastava	Independent Director	Member	3	3
Shuba Rao Mayya	Independent Director	Member	3	3
Mittu Sridhara	Independent Director	Member	3	3
Ashok Soota	Executive Director	Member	3	3

(d) Performance evaluation criteria for the Independent Directors

The indicative criteria for evaluation of the performance of the Independent Director that are provided in their terms of appointment are as under:

- (i) Attendance and contribution at Board and Committee meetings.
- (ii) Appropriate mix of expertise, skills, behavior, experience, leadership qualities, sense of sobriety and understanding of business, strategic direction to align to the Company's values and standards.

- (iii) Knowledge of finance, accounts, legal, investment, marketing, foreign exchange/ hedging, internal controls, risk management, assessment and mitigation, business operations, processes, and corporate governance.
- (iv) Ability to create a performance culture that drives value creation and a high quality of debate with robust and probing discussions.
- (v) Effective decision-making ability.
- (vi) Ability to open channels of communication with executive management and other colleagues on the Board to maintain high standards of integrity and probity.
- (vii) His/her global presence, rational, physical, and mental fitness, broader thinking, vision on corporate social responsibility etc.
- (viii) His/her ability to monitor the performance of management and satisfy himself/herself with integrity of the financial controls and systems in place by ensuring the right level of contact with external stakeholders.
- (ix) His/her contribution to enhance overall brand image of the Company.

V. Administrative and Stakeholders Relationship Committee

(a) Terms of Reference

The Administrative and Stakeholders Relationship Committee has inter alia the following mandate:

1. Redressal of all security holders' and investors' grievances such as complaints related to transfer of shares, including non-receipt of share certificates and review of cases for refusal of transfer/transmission of shares and debentures, non-receipt of balance sheet, non-receipt of declared dividends, non-receipt of annual reports, etc., and assisting with quarterly reporting of such complaints.
2. Reviewing measures taken for effective exercise of voting rights by shareholders.
3. Investigating complaints relating to allotment of shares, approval of transfer or transmission of shares, debentures, or any other securities.
4. Giving effect to all transfer/transmission of shares and debentures, dematerialisation of shares and re-materialisation of shares, split and issue of duplicate/consolidated share certificates, compliance with all the requirements related to shares, debentures, and other securities from time to time.
5. Reviewing the measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company.
6. Reviewing the adherence to the service standards by the Company with respect to various services rendered by the Registrar to an issue and Share Transfer Agent of the Company and to recommend measures for overall improvement in the quality of investor services.
7. Carrying out such other functions as may be specified by the Board from time to time or specified/provided under the Companies Act or SEBI Listing Regulations, or by any other regulatory authority.

(b) Number of Meetings: During the financial year 2025-2026, two (2) meetings were held, i.e., on May 12, 2025, and October 28, 2025.

(c) Composition of the Committee and Meetings attended by each member:

Name of the Member	Category	Position	Meetings	
			Held	Attended
Shuba Rao Mayya	Independent Director	Chairperson	2	2
Anita Ramachandran	Independent Director	Member	2	2
Joseph Anantharaju	Executive Director	Member	2	2
Venkatraman Narayanan	Executive Director	Member	2	2

(d) Name and designation of Compliance Officer: Mr. Praveen Kumar Darshankar, Company Secretary & Compliance Officer.

(e) Details of shareholders' complaints:

- (i) Number of shareholders' complaints received up to March 31, 2026: **2**
- (ii) Number of shareholders complaints resolved up to March 31, 2026: **2**
- (iii) Number of pending complaints as on March 31, 2026: **Nil**

VI. Corporate Social Responsibility Committee

(a) Terms of Reference

The Corporate Social Responsibility Committee has inter alia the following mandate:

1. To formulate and recommend to the Board, a corporate social responsibility policy which shall indicate the activities to be undertaken by the Company as specified in Schedule VII of the Companies Act and the rules made thereunder and make any revisions therein as and when decided by the Board.
2. To identify corporate social responsibility policy partners and corporate social responsibility policy programs.
3. To recommend the amount of expenditure to be incurred for the corporate social responsibility activities and the distribution of the same to various corporate social responsibility programs undertaken by the Company.
4. To delegate responsibilities to the corporate social responsibility team and supervise proper execution of all delegated responsibilities.
5. To review and monitor the implementation of corporate social responsibility programs and issue necessary directions as required for proper implementation and timely completion of corporate social responsibility programs; and
6. To perform such other duties and functions as the Board may require the corporate social responsibility committee to undertake to promote the corporate social responsibility activities of the Company and exercise such other powers as may be conferred upon the CSR Committee in terms of the provisions of Section 135 of the Companies Act.

(b) Number of Meetings: During the financial year 2025-26, two (2) meetings were held, i.e., on May 12, 2025, and February 09, 2026.

(c) Composition of the Committee and Meetings attended by each member:

Name of the Member	Category	Position	Meetings	
			Held	Attended
Anita Ramachandran	Independent Director	Chairperson	2	2
Rajendra Kumar Srivastava	Independent Director	Member	2	2
Rajiv Shah ¹	Executive Director	Member	1	1
Venkatraman Narayanan	Executive Director	Member	2	2

¹ Ceased to be Member w.e.f. December 31, 2025

VII. Risk Management Committee

(a) Terms of Reference

The Risk Management Committee has inter alia the following mandate:

1. To assist the Board in fulfilling its responsibilities with regard to the identification, evaluation and mitigation of strategic, operational, and external environment risks, in particular including financial, sectoral, sustainability (particularly, ESG-related risks) or any other risk as may be determined by the Committee.
2. Formulating, monitoring, and overseeing the risk management plan and policy of the Company.

3. Review the Cyber Security Functions of the Company at regular intervals.
4. To periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity
5. Approve/recommend to the Board for its approval/review the policies, risk assessment models, strategies, and associated frameworks for the management of risk.
6. To keep the Board of Directors informed about the nature and content of its discussions, recommendations and actions to be taken;
7. To perform such other duties and functions as the Board may require or as may be prescribed by applicable law, from time to time.

(b) Number of Meetings: During the financial year 2025-26, two (2) meetings were held on July 29, 2025 and January 20, 2026.

(c) Composition of the Committee and Meetings attended by each member:

Name of the Member	Category	Position	Meetings	
			Held	Attended
Rajendra Kumar Srivastava	Independent Director	Chairperson	2	2
Anita Ramachandran	Independent Director	Member	2	2
Mittu Sridhara	Independent Director	Member	2	2
Shuba Rao Mayya	Independent Director	Member	2	2
Joseph Anantharaju	Executive Director	Member	2	2
Venkatraman Narayanan	Executive Director	Member	2	2

VIII. Strategic Initiatives Committee

(a) Terms of Reference

The Strategic Initiatives Committee has inter alia the following mandate:

1. Strategic planning;
2. New strategic projects and initiatives;
3. Mergers, acquisitions and joint ventures;
4. Asset management (including physical infrastructure and information technology);
5. Strategic human resources and other matters;
6. To perform such other duties and functions as the Board may require from time to time.

(b) Number of Meetings: During the financial year 2025-26, four (4) meetings were held, i.e., on July 29, 2025; September 19, 2025; October 28, 2025 and January 19, 2026.

(c) Composition of the Committee and Meetings attended by each member:

Name of the Member	Category	Position	Meetings	
			Held	Attended
Mittu Sridhara	Independent Director	Chairperson	4	4
Rajendra Kumar Srivastava	Independent Director	Co-Chairperson	4	4
Ashok Soota	Executive Director	Member	4	4
Joseph Anantharaju	Executive Director	Member	4	4
Rajiv Shah ¹	Executive Director	Member	3	2
Venkatraman Narayanan	Executive Director	Member	4	4

¹ Ceased to be Member w.e.f. December 31, 2025

IX. Senior Management

The Board of Directors of the Company has classified the Business Unit Heads, Chief Technology Officer, Chief Information Security Officer, Chief Information Officer, Chief People Officer, Chief Financial Officer and Company Secretary of the Company as the Senior Management Personnel (SMP) for the purpose of disclosure under Regulation 30 of the SEBI (LODR) Regulation, 2015.

Particulars of the SMP of the Company during the year are mentioned below:

Sl. No.	Name of the SMP	Category
1	Joseph Anantharaju	Head of PDES Business Unit
2	Rajiv Shah ¹	Head of GBS Business Unit
3	Ram Mohan C	Head of IMSS Business Unit
4	Sridhar Mantha	Chief Technology Officer
5	Vijay Bharti	Chief Information Security Officer
6	Sajith S Kumar	Chief Information Officer
7	Sachin Khurana	Chief People Officer
8	Anand Balakrishnan ²	Chief Financial Officer
9	Praveen Kumar Darshankar	Company Secretary

¹ Ceased to be the SMP w.e.f. March 31, 2026

² Appointed as Chief Financial Officer w.e.f. June 12, 2025

X. Remuneration to Directors:

(a) Criteria for making payments to Non-Executive Directors

Non-Executive Directors are paid sitting fees for attending the Meetings of the Board and of Committees of which they are members at the rate of ₹1,00,000/- (Rupees One Lakh Only) per meeting and commission based on their performance, provided however, that the aggregate remuneration including commission, so paid to such Directors in a financial year shall not exceed 1% of the net profits of the Company.

(b) Criteria for making payments to Executive Directors

The Executive Directors are paid as per the remuneration approved by the Shareholders at the time of their appointment, which is in line with the statutory requirements and the Company's policies. A revision in remuneration, if any, is recommended by the Nomination Remuneration, and Board Governance Committee to the Board for its consideration, taking into account their individual performance, as well as the performance of the Company in a given year. Perquisites, performance-linked incentives, and retirement benefits are paid in accordance with the Company's compensation policies, as applicable to all employees, which also details the criteria for such payments. According to the current terms of their appointment, none of the Executive Directors are entitled to commission on the Company's net profit.

(c) Details of Remuneration paid to Directors for the financial year 2025-26

Name of the Director	Salary (In ₹ lakhs)		Perquisites (In lakhs)	Sitting Fees & Commission (In lakhs)	Total Remuneration paid (In lakhs)	Details of Service Contracts, Notice Period & Severance fees
	Fixed	Variable				
Ashok Soota	323	60	14	NIL	397	Appointed as Executive Chairman and Director for a period of 5 years from April 01, 2019, till March 31, 2024. Re-appointed for a further period of five years from April 1, 2024 to March 31, 2029. Redesignated as Chairman and Chief Mentor with effect from March 19, 2025. All other terms as per employment agreement. Three months' notice period and no severance fees.

Name of the Director	Salary (In ₹lakhs)		Perquisites (In lakhs)	Sitting Fees & Commission (In lakhs)	Total Remuneration paid (In lakhs)	Details of Service Contracts, Notice Period & Severance fees
	Fixed	Variable				
Joseph Anantharaju ¹	465	89	24	NIL	578	Appointed as a Whole-time Director of the Company designated as Executive Vice Chairman, for a period of five years from November 4, 2020, to November 3, 2025. Redesignated as Co-Chairman and CEO with effect from March 19, 2025. Re-appointed for a further period of five years from November 04, 2025 to November 03, 2030. All other terms as per employment agreement. Three months' notice period and no severance fees.
Venkatraman Narayanan ²	243	53	60	NIL	356	Appointed as the Managing Director and Chief Financial Officer of the Company, for a period of five years from November 4, 2020, to November 3, 2025. Re-appointed as Whole-time Director designated as Managing Director, for a further period of five years from November 04, 2025 to November 03, 2030. All other terms as per employment agreement. Three months' notice period and no severance fees.
Rajiv Shah	139	45	14	NIL	198	Appointed as Whole time Director of the Company designated as Executive Director, for a period of five years from August 5, 2024 to August 4, 2029. Resigned from the position of Executive Director with effect from December 31, 2025.
Anita Ramachandran	Nil	Nil	Nil	40	40	NA
Rajendra Kumar Srivastava	Nil	Nil	Nil	45	45	NA
Shuba Rao Mayya	Nil	Nil	Nil	40	40	NA
Mittu Sridhara	Nil	Nil	Nil	40	40	NA

¹ During the year Mr. Joseph Anantharaju was granted 25,000 time and performance-based options at a face value of ₹2/- under ESOP Plan for FY'26 vesting over a period of one year and exercisable within a period of one year from the date of vesting as per the plan.

² During the year Mr. Venkatraman Narayanan was granted 15,000 time and performance-based options at a face value of ₹2/- under ESOP Plan for FY'26 vesting over a period of one year and exercisable within a period of one year from the date of vesting as per the plan.

XI. General Body Meeting

Annual General Meetings (AGM)

The Annual General Meetings of the Company were held at the Registered Office of the Company through video conference mode. Details of last three AGMs held are as below:

Financial Year	Date	Time (IST)	Mode of Meeting
2022-2023	July 17, 2023	4:00 p.m.	Video Conference
2023-2024	June 28, 2024	4:00 p.m.	Video Conference
2024-2025	July 29, 2025	4:00 p.m.	Video Conference

All resolutions moved at the Annual General Meetings were passed through remote e-voting by the requisite majority of members. The following are the special resolutions passed at the previous three AGMs:

AGM held on	Summary of Special Resolutions
July 17, 2023	There were no special resolutions proposed/passed in this meeting.
June 28, 2024	- To re-appoint Mr. Ashok Soota (having DIN No. 00145962), who has already attained the age of 70 years, as Whole-time Director, designated as Executive Chairman for a further period of five years from April 1, 2024 to March 31, 2029 at the existing terms and conditions. - To approve enhancement of Loans/Investments limit under Section 186 of the Act to ₹2500,00,00,000/- (Rupees Two Thousand Five Hundred cr only) over and above the limits prescribed under the Companies Act, 2013.
July 29, 2025	- To increase in the borrowing limits under Section 180(1)(c) of Companies Act, 2013, allowing upto ₹500,00,00,000/- (Rupees Five Hundred Crore only) or fixed limit of ₹1,000,00,00,000/- (Rupees One Thousand Crore only) w.e higher above the paid-up share capital, free reserves, and securities premium. - Approval to create/ modify charge on the movable and immovable assets including undertakings of the Company, both present and future. - Re-appointment of Mr. Rajendra Kumar Srivastava (having DIN No. 07500741) as an Independent Non-Executive Director for a further period of five years (second term) from June 4, 2025 to June 3, 2030. - To approve continuation of Mr. Rajendra Kumar Srivastava (having DIN No. 07500741) as an Independent Non-Executive Director who shall attain the age of 75 years during the second term. - Re-appointment of Ms. Anita Ramachandran (having DIN No. 00118188) as an Independent Non-Executive Director for a further period of five years (second term) from June 4, 2025 to June 3, 2030. - Re-appointment of Ms. Shuba Rao Mayya (having DIN No. 08193276) as an Independent Non-Executive Director for a further period of five years (second term) from June 4, 2025 to June 3, 2030. - Approval of commission payable to Non-Executive Directors for a period of five years commencing from April 1, 2025 to March 31, 2030.

Extra-Ordinary General Meetings (EGM)

During the year under review, no extraordinary General Meetings were held.

Postal Ballot

During the year, the Company had sought the approval of the shareholders by way of a Special Resolution through notice of postal ballot dated August 05, 2025 for the re-appointment of Mr. Joseph Vinod Kumar Anantharaju (DIN: 08859640) as Whole-time Director of the Company designated as Co-Chairman & CEO and Mr. Venkatraman Narayanan (DIN: 01856347) as Whole-time Director of the Company designated as Managing Director through remote E-voting (Voting through Electronic means) in compliance with section 110 of the Act read with Rule 22 of the Companies (Management and Administration) Rules, 2014. Mr. V. Sreedharan (FCS 2347; CP NO. 833), Senior Partner of V. Sreedharan & Associates, Company Secretaries, Bengaluru, or in his absence Mr. Pradeep B. Kulkarni (FCS 7260; CP No. 7835), Partner of the said firm, was appointed as the Scrutinizer for conducting the scrutiny of e-voting process. The Resolutions were approved with requisite majority on September 04, 2025, and the results of the Postal Ballot were displayed on the website of the Company (<https://www.happiestminds.com/investors/Stock%20Exchange%20Disclosures/2025-2026-Q2/Postal-Ballot-Voting-Results.pdf>)

XII.Means of Communication

(a) Financial Results and Newspaper Publication

Quarterly and annual financial results are filed with stock exchanges and displayed on stock exchanges' websites and are also made available on the Company's website. The results are also normally published in The Financial Express (English Newspaper – all India edition) and Vishwavani (Regional Newspaper – Karnataka edition).

(b) Website

The Company maintains an active website at <https://www.happiestminds.com/investors/> wherein all the information relevant for the Shareholders are displayed.

(c) Press Releases and Analysts/Investors Presentations

The official news releases, meetings scheduled with analysts and detailed presentations made to analysts are disseminated to stock exchanges and as well displayed on the Company's website at <https://www.happiestminds.com/investors/>. The management participates in the analyst/earnings call every quarter, after the announcement of results. The audio recording of analyst calls and transcripts are posted on the Company's website.

(d) Annual Report

Annual Report containing audited standalone and consolidated financial statements together with Board's Report, Auditors' Report and other reports/information forming part of it are circulated to members entitled thereto and is also made available on the Company Website at <https://www.happiestminds.com/investors/>.

XIII. General Shareholders Information

General shareholder information is provided under "Shareholders Information" section attached as Annexure II to this Report.

XIV. Other Disclosures

(a) Disclosures on materially significant related party transactions that may have potential conflict with the interests of listed entity at large.

During the financial year ended March 31, 2026, there were no materially significant related party transactions that had potential conflict with the interest of the Company at large.

(b) Details of non-compliance by the Company, penalties, strictures imposed on the Company by the Stock Exchange(s) or SEBI or any statutory authority, on any matter related to capital markets, during the last three years

The Company became a listed company from September 17, 2020. No penalty or stricture has been imposed by the Stock Exchanges or SEBI or any other authority since the date of listing, except for a penalty of ₹5,900/- each levied by BSE Limited and National Stock Exchange of India Limited for delayed compliance of Regulation 23(9) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for quarter ended September, 2024.

(c) Vigil Mechanism/Whistle-Blower Policy

The Company has adopted a Whistle Blower Policy and has established the necessary Vigil Mechanism as required under Regulation 22 of the SEBI (LODR) Regulations, the details of which have been provided in the Board's Report. The Company affirms that no personnel have been denied access to the Audit Committee.

(d) Details of compliance with mandatory requirements and adoption of the non-mandatory requirements

The Company has complied with all the applicable mandatory requirements of SEBI (LODR) Regulations. Details of adoption of non-mandatory requirements are provided in Clause XVI below.

(e) Weblink for Policy on determination of Material Subsidiary and Policy on Related Party Transactions

Both the policies can be accessed at <https://www.happiestminds.com/investors/policy-documents/>

(f) Disclosure of Commodity price risks and commodity hedging activities

The Company does not deal in commodities and hence the disclosure pursuant to SEBI (LODR) Regulations is not applicable.

(g) Details of utilization of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A)

During the financial year ended March 31, 2026, there were no funds raised through preferential allotment or qualified institutions placement.

(h) Certificate from Practicing Company Secretary on Non-Disqualification of Directors

The Company has obtained a certificate from a Practicing Company Secretary that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Directors of companies

by the SEBI/Ministry of Corporate Affairs or any such statutory authority in accordance with SEBI (LODR) Regulations. Copy of the Certificate is attached as Annexure III.

(i) Recommendation of Committees

During the financial year ended March 31, 2026, the Board of Directors of the Company had accepted recommendation of all the committees of the Board, which were mandatorily required.

(j) Auditors' Remuneration

The details of total fees for all services paid by the Company during FY 2025-26, to the Statutory Auditors are as follows:

Particulars	Amount (In ₹lakhs)
Payment to Statutory Audit fees (including out of pocket expenses)	115

(k) Disclosures as required under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

The Company has in place a gender neutral Anti-Sexual Harassment Policy at the workplace which is in line with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the applicable rules, the details of which have been provided in the Board's Report.

Details of sexual harassment complaints received:

- (i) No. of complaints received during financial year 2025-26: **3**
- (ii) No. of complaints disposed of during financial year 2025-26: **3**
- (iii) No. of complaints pending as on end of the financial year 2025-26: **Nil**

(l) Disclosure of Loans and advances in the nature of loans to firms/companies in which Directors are interested:

During the Financial Year ended March 31, 2026, there were no loans or advances provided by the Company and its subsidiaries to firms/companies in which Directors are interested.

(m) Details of material subsidiaries of the listed entity; including the date and place of incorporation and the name and date of appointment of the statutory auditors of such subsidiaries:

The Company doesn't have any material subsidiary during the period under review, and the disclosures required are not applicable.

XV. Non-Compliance of Regulations Relating to Corporate Governance Under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, if Any

The Company is fully compliant with SEBI (LODR) Regulations, and there are no such non-compliances to report.

XVI. Discretionary Requirements

The Company has adopted the following discretionary requirements as provided in the SEBI (LODR) Regulations:

(a) Modified opinion(s) in Audit Report

The Company is in the era of unmodified opinions on financial statements, and the Auditors of the Company have issued Audit Reports with unmodified opinions on the standalone and consolidated financial year ended March 31, 2026.

(b) Reporting of Internal Auditor

The Company's Internal Auditors report directly to the Audit Committee and are invited to be at the Audit Committee meetings held every quarter.

XVII. Disclosures with respect to Demat Suspense Account/Unclaimed Suspense Account

The Company does not have any unclaimed shares, and hence the disclosure pursuant to SEBI (LODR) Regulations is not applicable.

XVIII. Disclosure of certain types of agreements binding listed entities

There are no agreements affecting management or control of the Company or imposing any restriction or liability upon the Company under Clause 5A of Para A of Part A of Schedule III of the Listing Regulations.

XIX. Compliance

The Company is in compliance with all the mandatory requirements stipulated under Regulations 17 to 27 read with Schedule V and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of SEBI (LODR), Regulations, 2015 as applicable with regard to Corporate Governance.

The Company has obtained a certificate from a Practicing Company Secretary in compliance with the conditions of Corporate Governance as stipulated in SEBI (LODR) Regulations. A copy of the Certificate is attached as Annexure VI to the Board's Report.

Annexure I to CG Report

CEO / CFO CERTIFICATION

May 28, 2026
 The Board of Directors
Happiest Minds Technologies Limited
 Bengaluru

We, Joseph Anantharaju, Co-Chairman & CEO, and Anand Balakrishnan, CFO of Happiest Minds Technologies Limited to the best of our knowledge and belief, certify that:

- (a) We have reviewed the financial statements and the cash flow statement for the quarter and financial year ended March 31, 2026 and confirm that:
 - (i) these financial statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - (ii) these financial statements together present a true and fair view of the Company's affairs and are in compliance with existing Accounting Standards, applicable laws and regulations;
- (b) There is, to the best of our knowledge and belief, no transaction entered into by the Company during the quarter and financial year ended March 31, 2026, which is fraudulent, illegal or violative of the Company's code of conduct.
- (c) We accept responsibility for establishing and maintaining Internal Controls for financial reporting and that we have evaluated the effectiveness of Internal Control Systems of the Company pertaining to financial reporting and we have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such Internal Controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.

We have indicated to the Auditors and the Audit Committee that for the quarter and financial year ended March 31, 2026, that there were:

- (i) no significant changes in Internal Control over financial reporting;
- (ii) no significant changes in accounting policies and that the same have been disclosed in the notes to the financial statement; and
- (iii) no instances of significant fraud of which we have become aware and there has been no involvement therein of the management or an employee having a significant role in the Company's Internal Control System over financial reporting.

We further declare that all the Board Members and Senior Management Personnel have affirmed compliance with Code of Conduct in respect of the financial year ended March 31, 2026.

Co-Chairman & CEO
 Seattle, USA

CFO
 Bengaluru, India

Annexure II to CG Report

SHAREHOLDERS INFORMATION

1. Annual General Meeting (AGM) of the Company

Date: Tuesday, the July 28, 2026

Time: 4.00 pm (IST)

Venue: Through Video Conference. For details, please refer to the Notice of this AGM.

2. Financial Year

The financial year of the Company was from April 1, 2025 to March 31, 2026. The quarterly results for the financial year were announced as follows:

For the quarter ended June 30, 2025	July 29, 2025
For the quarter ended September 30, 2025	October 28, 2025
For the quarter ended December 31, 2025	February 09, 2026
For the quarter and Financial Year ended March 31, 2026	May 28, 2026

Company's tentative calendar (subject to change) for the announcement of quarterly results & AGM during the financial year 2026-27 would be as below:

For the quarter ended June 30, 2026	July, 2026
For the quarter ended September 30, 2026	October, 2026
For the quarter ended December 31, 2026	January, 2027
For the quarter and financial year ended March 31, 2027	May, 2027
For Annual General Meeting of the Company	July, 2027

3. Dividend Payment

The Board of Directors of the Company has recommended a final dividend of ₹3.65/- per equity share of face value of ₹2/- each, for the financial year ended March 31, 2026, subject to the approval of the shareholders at the ensuing AGM.

The Register of Members of the Company will be closed from Saturday, July 18, 2026 to Tuesday, July 28, 2026, (both days inclusive) for the purpose of the AGM, annual closing and for determining entitlement of members for the final dividend for FY'26. The record date for payment of the final dividend would be July 17, 2026.

The final dividend, if approved, will be paid on or after August 04, 2026.

4. Stock Exchanges

The Company's securities are listed on following Stock Exchanges as on March 31, 2026:

Name of the Exchange and Stock Code	Address & Contact details
BSE Limited ("BSE") Stock Code: 543227	Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400 001, Maharashtra, India Tel: +91 22 22721233/34; Fax: +91 22 22721919
National Stock Exchange of India Limited ("NSE") Symbol: HAPPSTMNDS	Exchange Plaza, C-1, Block G, Bandra Kurla Complex, Bandra (E), Mumbai – 400 051, Maharashtra, India Tel: +91 22 26598100-14; Fax: +91 22 26598120

The Company hereby confirms that it has duly paid the listing fees for the financial year 2026-27 to both BSE and NSE. It further confirms that the equity shares of the Company have never been suspended from trading either by the BSE or NSE from the time it has been listed.

5. Registrars and Transfer Agents (RTA)

All share registry-related activities, in both physical and electronic form, are handled by the Company's Registrar and Share Transfer Agent, whose name and contact details are provided below:

M/s. KFin Technologies Limited

Unit: Happiest Minds Technologies Limited

"Selenium" Tower B, Plot No. 31 & 32, Financial District, Nanakramguda,

Serilingampally, Hyderabad-500032, Rangareddy, Telangana, India

Tel. No. + 91 - 1- 800-309-4001; **WhatsApp No.** : (91) 910 009 4099

Investor Support Center : <https://kprism.kfintech.com/>

E-mail: einward.ris@kfintech.com

Website: <https://www.kfintech.com/>

KPRISM (Mobile Application) : <https://kprism.kfintech.com/signup>

6. Share Transfer System

Pursuant to Regulation 40(1) of SEBI (LODR) Regulations, effective from April 1, 2019, transfer of shares in physical mode has been discontinued and accordingly the Company has not processed transfer of shares in physical mode (except in case of request received for transmission or transposition of shares) from the time the said Regulation was applicable and all the transfer of shares would be carried out only in dematerialized form by the respective Depository Participants of the shareholders.

Accordingly, shareholders holding shares in physical form are urged to dematerialize their shares at the earliest to facilitate their transfer in dematerialized form and participation in various corporate actions.

7. Distribution of Shareholding

(a) Distribution of equity shareholding as on March 31, 2026:

Category (No. of Shares)	No. of Shareholders	% of Total Shareholders	No. of Shares	% of Total Shares
1 – 5,000	6,57,950	99.74	4,20,77,477	27.63
5,001 – 10,000	917	0.14	32,34,605	2.12
10,001 – 20,000	387	0.06	27,85,266	1.83
20,001 – 30,000	131	0.02	16,16,985	1.06
30,001 – 40,000	72	0.01	12,63,117	0.83
40,001 – 50,000	29	0.01	6,59,675	0.44
50,001 – 100,000	72	0.01	25,72,663	1.69
100,001 & above	88	0.01	9,80,65,023	64.40
Total	6,59,646	100	15,22,74,811	100

(b) Shareholding pattern:

Category of Shareholders	As on March 31, 2026*				As on March 31, 2025*			
	No. of Shareholders	% of Total Shareholders	Total Shares	% of Total Shares	No. of Shareholders	% of Total Shareholders	Total Shares	% of Total Shares
Promoters and Promoter group	6	0.00	6,73,23,400	44.21	6	0.00	6,73,25,400	44.21
Body corporates	798	0.13	21,07,396	1.38	886	0.13	24,79,858	1.63
FII's/NRI's/FPI's	8,184	1.27	1,23,09,261	8.08	8,236	1.20	1,09,70,192	7.20
Mutual funds/ Banks/ FI's/ QIB	17	0.00	1,36,56,966	8.97	26	0.00	1,61,21,682	10.60
Clearing Members	1	0.00	30	0.00	7	0.00	133	0.00
Trust	6	0.00	2,660	0.01	5	0.00	925	0
Public	6,33,261	98.60	5,48,62,223	36.03	6,78,621	98.67	5,31,48,677	34.90
ESOP Trust	1	0.00	20,12,875	1.32	1	0.00	22,27,944	1.46
Total	6,42,274	100.00	15,22,74,811	100.00	6,87,788	100.00	15,22,74,811	100.00

*Post consolidation of multiple folios/client IDs

8. Dematerialization of shares and liquidity

99.89% of the Company's shares are in dematerialized form as on March 31, 2026, held with both the Depositories viz., the National Securities Depository Limited ('NSDL') and the Central Depository Services (India) Limited ('CDSL') and the break-up is as follows:

Description	March 31, 2026			March 31, 2025		
	No of Holders	No. of Shares	% to Total Shares	No of Holders	No. of Shares	% to Total Shares
NSDL	1,47,463	11,74,55,692	77.13	1,59,494	11,93,13,527	78.35
CDSL	5,12,168	3,46,54,045	22.76	5,46,409	3,27,92,460	21.54
Physical	15	1,65,074	0.11	17	1,68,824	0.11
Total	6,59,646	15,22,74,811	100.00	7,05,920	15,22,74,811	100.00

Under the Depository System, the International Securities Identification Number (ISIN) allotted to the Company's equity shares is INE419U01012.

9. Outstanding Global Depository Receipts (GDR) or American Depository Receipts (ADR) or warrants or any convertible instruments, conversion date and likely impact on equity

The Company has no outstanding GDR / ADR / warrants or any convertible Instruments as of March 31, 2026.

10. Commodity price risk or foreign exchange risk and hedging activities

The Company does not deal in commodities and, accordingly, the disclosure requirements pursuant to the SEBI (LODR) Regulations are not applicable. For a detailed discussion on foreign exchange risk and hedging activities relating to the Company's foreign currency revenue, please refer to the Management Discussion and Analysis Report forming part of this Annual Report.

11. Locations

The registered office address and the branch locations along with the contact details have been provided separately in the Annual Report and the details are also available at <https://www.happiestminds.com/location/>.

12. Address for Correspondence

Correspondence with respect to shares, dividends, annual reports, and grievances, if any, may be sent to the Company's RTA at the contact details provided in Sl. No. 5 above. Correspondence may also be addressed to the Company at the contact details provided below:

Mr. Praveen Kumar Darshankar
 Company Secretary & Compliance Officer
 Happiest Minds Technologies Limited
 #53/1-4, Hosur Main Road, Madivala,
 Bengaluru-560068, Karnataka, India;
 Tel No.: +91 80 61960300
 Email: investors@happiestminds.com

The Company has also designated a person for addressing queries relating to results/analyst calls viz., Ms. Priyanka Sharma, Head of Investor Relations and she can be contacted at the above address and through email at IR@happiestminds.com.

13. Credit Ratings

The following are the credit ratings of the Company issued by Care Ratings Limited for the loans and debt instruments issued by the Company. The instrument-wise ratings outlook and action are as follows:

Care Ratings Limited:

Instrument type	Size of Issue (₹Crore)	Rating Outlook	Rating action
Short- term Bank Facilities	5	CARE A1+ (A One Plus)	Assigned
Long-term/Short-term Bank Facilities	390	CARE AA-; Stable / CARE A1+ (Double A Minus; Outlook: Stable / A One Plus)	Reaffirmed
Non-convertible debenture	80	CARE AA-; Stable (Double A Minus; Outlook: Stable)	Reaffirmed
Long-term bank facilities	412.98	CARE AA-; Stable (Double A Minus; Outlook: Stable)	Reaffirmed

Annexure III to CG Report

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,
 The Members of
HAPPIEST MINDS TECHNOLOGIES LIMITED
 # 53/1-4, Hosur Main Road, Madivala
 Bengaluru - 560068

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **HAPPIEST MINDS TECHNOLOGIES LIMITED**, having CIN - L72900KA2011PLC057931 and having registered office at #53/1-4, Hosur Main Road, Madivala, Bengaluru - 560068 (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company & its officers, we hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on March 31, 2026 have been debarred or disqualified from being appointed or continuing as Directors of Companies by the Securities and Exchange Board of India (SEBI) and Ministry of Corporate Affairs (MCA).

Details of Directors:

Sl. No.	Name of Director	DIN	Date of appointment in Company
1.	Ashok Soota	00145962	01/04/2011
2.	Venkatraman Narayanan	01856347	16/01/2018
3.	Anita Ramachandran	00118188	04/06/2020
4.	Rajendra Kumar Srivastava	07500741	04/06/2020
5.	Shuba Rao Mayya	08193276	04/06/2020
6.	Joseph Vinod Anantharaju	08859640	04/11/2020
7.	Seshashayee Sampathiyengar Sridhara (Mittu Sridhara)	09247644	05/08/2024

Ensuring the eligibility for the appointment/continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For **V SREEDHARAN & ASSOCIATES**
 Company Secretaries

(**V. Sreedharan**)
 Partner
 FCS: 2347; CP No. 833

Date: May 28, 2026
Place: Bengaluru

UDIN: F002347H000512901
 Peer Review Certificate Number: 5543/ 2024

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT

SECTION A: GENERAL DISCLOSURES

I. Details of the listed entity

1. Corporate Identity Number (CIN) of the Listed Entity	L72900KA2011PLC057931
2. Name of the Listed Entity	Happiest Minds Technologies Limited
3. Year of incorporation	March 30, 2011
4. Registered office address	53/1-4, Hosur, Main Road, Madivala Bengaluru-560068, Karnataka
5. Corporate address	53/1-4, Hosur, Main Road, Madivala Bengaluru-560068, Karnataka
6. E-mail	legal@happiestminds.com
7. Telephone	08061960300
8. Website	https://www.happiestminds.com
9. Financial year for which reporting is being done	FY 2025-26
10. Name of the Stock Exchange(s) where shares are listed	National Stock Exchange of India/Bombay Stock Exchange
11. Paid-up Capital	₹ 30,45,49,622
12. Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report	Priyanka Sharma, Associate Director Email - Legal@happiestminds.com Telephone - 08061960300
13. Reporting boundary - Are the disclosures under this report made on a standalone basis (i.e. only for the entity) or on a consolidated basis (i.e. for the entity and all the entities which form a part of its consolidated financial statements, taken together).	Disclosures made in this report are on a standalone basis and pertain only to Happiest Minds Technologies Ltd.
14. Name of assessment or assurance provider	Not applicable as the Company does not fall under the purview of External Assessment or Assurance as per SEBI requirements.
15. Type of assessment or assurance obtained	Not applicable.

II. Product/Services

16. Details of business activities (accounting for 90% of the turnover):

Sr. No.	Description of Main Activity	Description of Business Activity	% of Turnover of the entity
1.	Information and communication	Computer programming, consultancy and related activities	100%

17. Products/Services sold by the entity (accounting for 90% of the entity's Turnover):

Sr. No.	Product/Service	NIC Code	% of total Turnover contributed
1	Computer programming and related activities	6201	100%

III. Operations

18. Number of locations where plants and/or operations/offices of the entity are situated:

Location	Number of Plants	Number of Offices	Total
National	Not Applicable	9	9
International	Not Applicable	12	12

19. Markets served by the entity

a. Number of locations

Location	Number
National (No. of States)	9
International (No. of Countries)	7

b. What is the contribution of exports as a percentage of the total turnover of the entity?

83.08%

c. A brief on types of customers

Happiest Minds Technologies serves a diverse portfolio of 300+ global customers, including Fortune 500 enterprises, multinational corporations, digital-native firms, and SMEs across industries such as BFSI, EdTech, HiTech, Healthcare & Life Sciences, Industrial, Manufacturing, and Energy & Utilities, as well as Media & Entertainment, Retail, CPG, and Logistics.

With an "AI First. Agile Always." approach, the Company drives digital transformation through end-to-end capabilities spanning consulting, product engineering, implementation, managed services, and Global Capability Center (GCC) services. Happiest Minds' offerings are structured across Product & Digital Engineering Services, Generative AI Business Services, and Infrastructure Management & Security Services, bringing together Agentic AI, Generative AI, cloud, IoT, analytics, and cybersecurity to help businesses move faster, decide smarter, and scale confidently.

Powered by innovation and a steadfast commitment to sustainable growth, our solutions help organizations build an AI-first future that is resilient, inclusive, and engineered for long-term progress.

IV. Employees

20. Details as at the end of financial year:

a. Employees and workers (including differently abled):

Sr. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B/A)	No. (C)	% (C/A)
EMPLOYEES						
1.	Permanent (D)	4763	3504	73.57%	1259	26.43%
2.	Other than Permanent (E)	335	251	74.93%	84	25.07%
3.	Total employees (D+E)	5098	3755	73.66%	1343	26.34%
WORKERS						
4.	Permanent (F)	NA	NA	NA	NA	NA
5.	Other than Permanent (G)	120	101	84%	19	16%
6.	Total workers (F+G)	120	101	84%	19	16%

b. Differently abled Employees and workers:

Sr. No.	Particulars	Total (A)	Male		Female	
			No.(B)	% (B/A)	No. (C)	% (C/A)
DIFFERENTLY ABLED EMPLOYEES						
1.	Permanent (D)	7	5	71%	2	28%
2.	Other than Permanent (E)	0	0	0%	0	0%
3.	Total differently abled employees (D+E)	7	5	71%	2	28%

Sr. No.	Particulars	Total (A)	Male		Female	
			No.(B)	% (B/A)	No. (C)	% (C/A)
DIFFERENTLY ABLED WORKERS						
4.	Permanent (F)	0	0	0%	0	0%
5.	Other than Permanent (G)	0	0	0%	0	0%
6.	Total differently abled workers (F+G)	0	0	0%	0	0%

21. Participation/Inclusion/Representation of women:

	Total (A)	Number and percentage of Females	
		No. (B)	% (B/A)
Board of Directors	7	2	28%
Key Management Personnel	2	0	0%

22. Turnover rate for permanent employees and workers:

(Disclose trends for the past 3 years)

	FY 2026			FY 2025			FY 2024		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	18.7%	18.86%	18.7%	16.46%	17.07%	16.63%	13.38%	12.03%	13.01%
Permanent Workers	Not Applicable								

V. Holding, Subsidiary and Associate companies (including joint ventures)

23. a. Names of holding/ subsidiary/ associate companies/ joint ventures

S. No.	Name of the holding / subsidiary / associate companies / joint ventures (A)	Indicate whether holding/ Subsidiary/ Associate/ Joint Venture	% of shares held by listed entity	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
1.	Happiest Minds Inc.	Wholly Owned Subsidiary	100%	Yes
2.	PureSoftware Technologies Private Limited	Wholly Owned Subsidiary	100%	Yes
3.	InnovazIT Technologies LLC	Wholly Owned Subsidiary	100%	Yes
4.	Gavs Technologies LLC	Wholly Owned Subsidiary	100%	Yes
5.	Gavs Technologies Saudi Arabia for Telecommunications and Information Technology	Wholly Owned Subsidiary	100%	Yes
6.	Aureus Tech Systems Private Limited	Wholly Owned Subsidiary	100%	Yes

VI. CSR Details

24. (i) Whether CSR is applicable as per section 135 of Companies Act, 2013: (Yes/No): Yes

(ii) Turnover (in ₹) 1,72,602 lakhs

(iii) Net worth (in ₹) 1,63,660 lakhs

VII. Transparency and Disclosures Compliances

25. Complaints/Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct:

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No) (If Yes, then provide web-link for grievance redress policy)	FY 2025-26			FY 2024-25		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Communities	NA	0	0	NA	0	0	NA
Investors (other than shareholders)	NA	0	0	NA	0	0	NA
Shareholders	Yes	2	0	NA	101	0	NA
Employees and workers	Yes	0	0	NA	0	0	NA
Customers	Yes	16	0	NA	9	0	NA
Value Chain Partners	NA	0	0	NA	0	0	NA
Other (please specify)	NA	0	0	NA	0	0	NA

26. Overview of the entity's material responsible business conduct issues. Please indicate material responsible business conduct and sustainability issues pertaining to environmental and social matters that present a risk or an opportunity to your business, rationale for identifying the same, approach to adapt or mitigate the risk along-with its financial implications, as per the following format:

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
1	Climate Change, Emissions & Energy	R, O	Risks: The Company remains cognizant of climate-related risks, including potential disruptions to operations from extreme weather events, increasing energy cost pressures due to dependence on electricity-intensive infrastructure, and evolving regulatory and disclosure requirements that may necessitate strategic adjustments. The Company also recognizes that rising expectations from clients and investors on climate performance could impact its reputation and competitiveness if not addressed proactively.	The Company is committed to reducing its environmental impact and supporting positive climate action. It has set an ambitious target to achieve a 100% reduction in Scope 1 and Scope 2 greenhouse gas emissions. In addition, the Company fosters a sustainable supply chain by adopting green sourcing practices.	Positive: Proactive climate action and emissions reduction can lead to long-term cost savings through energy efficiency, while enhancing brand value and opening doors for sustainable business collaborations Negative: Extreme weather events and evolving climate regulations may disrupt operations and supply chains, leading to increased costs and the need for investment in adaptation or compliance measures

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
			Opportunities: The Company is actively advancing its climate strategy by enhancing energy efficiency across operations and progressing towards increased adoption of renewable energy. It is also leveraging its digital capabilities to develop sustainability-driven solutions, while strengthening its ESG performance to enhance brand credibility, attract global clients and investors, and build long-term business resilience.		
2	Resource Management	R, O	Risks: Inefficient resource utilization may result in resource scarcity, supply chain disruptions, price volatility, and potential reputational damage due to unsustainable practices. Opportunities: Effective resource management enables cost savings, operational efficiency, and demonstrates proactive stewardship of natural resources, thereby supporting the Company's long-term sustainability goals.	The Company is focused on optimizing resource utilization across its operations with the objective of minimizing waste generation and advancing circular economy practices. It has set a target to significantly reduce water consumption and waste generation by the year 2030.	Positive: Strategic investments in efficient resource use can unlock innovation opportunities, attract ESG focused investors, and drive long term value creation. Negative: Inefficient resource utilization could lead to regulatory penalties, increased operational expenses, and loss of client confidence due to unsustainable practices.
3	Biodiversity	R, O	Risks: Unsustainable business activities can contribute to habitat loss and fragmentation, pollution, and adverse impacts on local ecosystems, thereby increasing ecological and regulatory risks for the Company.	The Company supports biodiversity conservation across its operations by adopting responsible land management practices, preserving natural habitats, and promoting biodiversity-friendly operational approaches.	Positive: Proactive biodiversity initiatives can enhance brand reputation, support compliance with emerging environmental regulations, and open avenues for green partnerships.

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
			Opportunities: Investing in biodiversity conservation initiatives can help reduce business vulnerability, enhance ecosystem resilience, and demonstrate environmental responsibility. The implementation of sustainable and nature-positive practices also supports long-term value creation and regulatory preparedness.		Negative: Neglecting biodiversity risks can result in operational disruptions, regulatory penalties, and reputational damage due to perceived environmental negligence.
4	Innovation	O	Opportunities: Innovation presents opportunities to unlock new markets, drive cost optimization and operational efficiency, and enable sustainable solutions that address pressing environmental challenges. It also supports the Company's efforts in expanding market presence through responsible and forward-looking product and service development.	As an 'AI First. Agile Always.' organization, we are actively exploring business opportunities in sustainable technologies to drive innovation and long-term value creation.	Positive: Leveraging innovation can lead to the development of sustainable, cutting-edge solutions that enhance market competitiveness, drive revenue growth, and strengthen the Company's leadership in responsible technology.
5	Cyber Security and Data Privacy	R, O	Risk: Ransomware/Malware threat Opportunity: To address the Data subject rights of the employees.	The Company has established robust controls to prevent and contain the spread of malware across its IT environment and critical applications. A defined employee notification process is in place to ensure that data subject rights of Happiest Minds' employees are recognized, and the necessary actions are taken to uphold these rights.	Positive: Strengthening data privacy practices to uphold data subject rights enhances employee trust, ensures regulatory compliance, and reinforces the Company's reputation for ethical data governance. Negative: Cyber threats like ransomware or malware attacks can lead to operational disruptions, data breaches, and significant financial and reputational damage.

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
6	Systemic Risk Management	O	The risk assessment process has been enhanced to evaluate impacts on the confidentiality, integrity, availability, and privacy of information assets, supporting the design and implementation of targeted controls for specific risk areas.	A strengthened risk assessment framework enables timely identification and mitigation of threats, improving business continuity, operational resilience, and strategic agility.	Positive: Enhancing the risk assessment framework for critical business functions enables timely identification and mitigation of threats, improving business continuity, operational resilience, and strategic agility.
7	Business Capability & Resilience	R	Risk: Loss of data / Impact to business & functions.	While the Company follows a mature business resilience framework, it recognizes the importance of periodic testing to ensure alignment with evolving business and security expectations. To this end, the Company conducts regular security incident simulations and tabletop exercises. These tests help identify potential real-world challenges, enabling continuous enhancement of the resilience of both business and IT processes.	Negative: Failure to address systemic risks effectively may lead to data loss or disruptions in critical business functions, resulting in financial losses, regulatory penalties, and erosion of stakeholder trust
8	Social Responsibility	O	Opportunity: Demonstrating social responsibility enhances employee morale, strengthens the Company's reputation, and fosters brand value within the communities it serves.	The Company adopts a proactive and integrated approach to mitigate environmental and social risks through its CSR initiatives, while reinforcing its commitment to responsible business practices. Climate-related and environmental risks are addressed through initiatives such as percolation wells and mangrove plantation, which enhance groundwater recharge, strengthen climate resilience, and support ecosystem restoration. Large-scale afforestation programs like Cauvery Calling and Social Forestry further contribute to carbon sequestration, biodiversity conservation, and sustainable livelihoods, thereby reducing long-term environmental risks.	Positive: Proactive social responsibility initiatives can lead to increased employee engagement and loyalty, while also enhancing the Company's reputation and fostering stronger community relationships, ultimately supporting sustainable business growth.

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
				In parallel, the Company mitigates waste and pollution-related risks through structured interventions such as the E-Waste Drive and community waste management programs, ensuring safe disposal, promoting circular economy practices, and reducing the environmental footprint of operations. These initiatives also help address regulatory and compliance risks associated with waste management. On the social front, risks related to community well-being and social inequity are mitigated through targeted programs in education, healthcare, nutrition, and mental well-being, improving quality of life and strengthening community resilience. Initiatives such as mid-day meal support, diabetes care, mental health awareness, and plastic-free campaigns contribute to long-term societal stability and sustainable development. Collectively, these efforts are supported through partnerships with credible implementation agencies, continuous monitoring of project outcomes, and alignment with national and global sustainability priorities. Demonstrating social responsibility through these initiatives helps strengthen employee morale, enhances the Company's reputation, and builds brand value within the communities it serves, while ensuring long-term risk mitigation and sustainable business resilience.	

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
9	Responsible Supply Chain	R, O	Risk: Supply chain disruptions from natural disasters, non-compliance with sustainability standards, and increased operational complexity. Opportunity: Strengthened supply chain resilience, access to new markets, supplier diversity, and product differentiation. Responsible supply chain ensures ethical sourcing, minimizes environmental and social risks, and enhances transparency. This not only strengthens stakeholder trust but also drives long-term operational resilience, cost efficiency, and regulatory compliance, positioning the Company as a sustainable and reliable partner	Happiest Minds promotes supply chain sustainability by engaging with environmentally responsible suppliers and aims to ensure that at least 50% of its top vendors comply with sustainability standards by 2028.	Positive: Implementing a responsible supply chain enhances brand credibility, ensures compliance with ESG standards, and fosters long term supplier partnerships. Negative: Lack of oversight in the supply chain can lead to ethical breaches, regulatory penalties, and reputational damage, affecting stakeholder confidence and business continuity
10	Customer Engagement and Satisfaction	O	Opportunity: Customer engagement and the CHS survey provide valuable channels for clients to share feedback, helping Happiest Minds assess service effectiveness, identify improvement areas, and drive innovation.	Happiest Minds conducts an annual CHS survey to gather feedback from all existing clients, reflected in a strong NPS score of 68. Feedback is promptly addressed through discussions between the delivery team and clients, and resolved within the defined turnaround time.	Positive: Active customer engagement through CHS surveys enables continuous service improvement, strengthens client relationships, and drives innovation aligned with customer expectations, enhancing long term loyalty and business growth.

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
11	Human Rights	0	Opportunity: Offering employees a direct channel to senior management fosters open communication, enhances engagement, and builds trust. It also reinforces the organization's commitment to fairness by providing a safe space to address concerns related to discrimination or workplace violations, promoting a transparent and inclusive culture.	'Ask EB – Just Ask' offers employees a direct line to the Executive Board and Functional Heads for questions, insights, and concerns, with assured responses within 24 hours. Issues related to discrimination or equal opportunity can be reported via the WE HEAR portal or to the D&I Council, which is led by the Chief People Officer and operates under the Whistle-blower Policy to ensure transparent and timely resolution.	Positive: Providing employees with direct access to senior management fosters a culture of transparency and trust, enhances employee morale, and reinforces the Company's commitment to upholding human rights and inclusivity.
12	Employee Health, Safety & Well-Being	O	Opportunity: Strengthening employee health, safety, and well-being through wellness programs, safety measures, and mental health support fosters a positive work environment, enhances satisfaction and performance, and helps attract and retain top talent—contributing to overall organizational success.	At Happiest Minds, our wellness program, HappiZest—inspired by the motto "Experience the joy of living"—adopts the 7Ws of Wellness: Physical, Spiritual, Intellectual, Professional, Social, Emotional, and Environmental, supported by expert-led sessions, facilities, and corresponding logistics to cultivate complete member well-being.	Positive: Investing in employee health, safety, and well being boosts workforce morale and productivity, reduces absenteeism, and strengthens the organization's ability to attract and retain high quality talent.
13	Diversity, Equity & Inclusion	O	Opportunity: Advancing DEI fosters a more inclusive and innovative workplace, enhances employee engagement, and builds a resilient workforce equipped for global challenges.	Our organization's gender diversity ratio actively promotes inclusion through initiatives such as the Women Mentoring Program, PWD hiring, Women in Break Hiring, D&I Summit, and the Oorja Train & Hire model. The DEIB Council, comprising diverse members across levels, leads these efforts with guidance from senior leaders, including the Executive Board and Business Unit Heads. Key programs like Women Care, Women Development, and Hiring Women in Tech aim to foster inclusive leadership and empower individuals of all abilities.	Positive: Promoting diversity, equity, and inclusion fosters a collaborative and innovative workplace culture, enhances decision-making through varied perspectives, and strengthens the organization's reputation as an equitable employer.

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
14	Talent Attraction & Retention	0	Opportunity: In the IT services sector, skilled talent is a key differentiator for growth and sustainability, making talent attraction and retention a strategic priority across all levels.	The organization uses a dedicated applicant tracking system to connect with prospective candidates through channels such as the career portal, job sites, member referrals, and recruitment partners. Candidates undergo quality assessments, and selected individuals are offered competitive benefits. Continuous learning is emphasized through engaging onboarding, access to member portals, instructor-led and online training, and partnerships with global learning platforms.	Positive: Strategic focus on attracting and retaining skilled talent ensures sustained business growth, drives innovation, and enhances the Company's competitive edge in the IT services sector.
15	Disclosure & Compliance	R	Risk: Evolving regulatory and disclosure requirements may increase compliance complexity and costs if not addressed proactively.	The Company has established processes to ensure timely and accurate regulatory disclosures to stock exchanges and on its website. Structured investor communications, including earnings calls and analyst interactions, are conducted regularly. A technology-enabled compliance management system supports systematic tracking of regulatory obligations and strengthens overall governance and compliance oversight.	Negative: The adoption and maintenance of technology-driven compliance processes involve initial investments and ongoing efforts; however, these are aimed at improving compliance efficiency and mitigating long-term regulatory and reputational risks.
16	Economic Performance	R / O	Risk: Business performance may be negatively affected by economic fluctuations. Opportunity: Economic growth presents favorable conditions for business expansion and growth. Strong economic performance enables the Company to reinvest in innovation, expand market presence, deliver long-term shareholder value, and build resilience against financial uncertainties, thereby supporting sustainable growth.	We monitor key indicators and analyse macroeconomic and industry trends through forums and reports. A well-diversified global presence helps manage geopolitical risks, while product and service innovation aligned with economic shifts leverages emerging advancements.	Positive: Increased revenue, market share, and profitability Potential cost savings through efficiency gains. Negative: Over-reliance on favorable economic conditions may lead to under preparedness for downturns, exposing the business to financial stress during periods of economic instability

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
17	Corporate Governance & Ethics	R	Risk: Weak or ineffective corporate governance and ethical lapses could lead to regulatory noncompliance, erosion of stakeholder trust (employees, clients, investors), and disruption to business operations.	The Company has established a robust corporate governance framework supported by well-defined policies and processes that promote transparency, accountability, ethical conduct, and regulatory compliance. Policies such as the Code of Conduct, Integrity Policy, Anti-Bribery Policy, and Vigil Mechanism are embedded across the organization to ensure ethical decision-making and responsible business practices.	Negative: Quantifiable Regulatory penalties or sanctions imposed by SEBI, stock exchanges, or other statutory authorities. Non-Quantifiable Reputational damage, reduced investor confidence, potential volatility or decline in the Company's share price, and adverse impact on longterm brand equity.

SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

This section is aimed at helping businesses demonstrate the structures, policies and processes put in place towards adopting the NGRBC Principles and Core Elements.

Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
Policy and management processes									
1. a. Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
b. Has the policy been approved by the Board? (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
c. Web Link of the Policies, if available.	https://www.happiestminds.com/investors/policy-document/Business-Responsibility-Policy.pdf								
2. Whether the entity has translated the policy into procedures. (Yes / No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
3. Do the enlisted policies extend to your value chain partners?	No	No	No	No	No	No	No	No	No
4. Name of the national and international codes/certifications/labels/ standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustea) standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.	ISO 9001:2015: Quality Management System ISO 27701: 2019: Privacy Information Management System ISO 27001:2013: Information Security Management System CREST: Penetration Testing Operating in EMEA ISO 20000:2018: Service Management System								
5. Specific commitments, goals and targets set by the entity with defined timelines, if any.	1. Achieve carbon neutrality in the Company's operations by 2030. 2. Adopt and encourage sustainable practices for energy use and water conservation. 3. Launch volunteer programs and engage at least 20% of the Company's workforce in community outreach activities. 4. Partner with NGOs to improve food and nutrition standards, support environmental sustainability, and improve healthcare access in the community. 5. Ensure that the Company's disclosure standards are within the top 10% compared to similar leading organizations listed in India.								
6. Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met.	1. We have maintained our solar energy utilization to 12.13% as compared to 10% in the previous year. 2. 100% of waste water generated at our leased facility is recycled via STP and re-used for garden and washrooms. 3. Greater emphasis was placed on forestation by implementing Programs that focused on safeguarding and protecting natural resources.								
Governance, leadership and oversight									
7. Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements (listed entity has flexibility regarding the placement of this disclosure)	Recognizing the increasing importance of Environmental, Social, and Governance (ESG) considerations, we continue to integrate ESG principles into our core business strategies. This approach enables us to proactively address emerging risks, enhance operational efficiency through energy conservation and waste minimization, and maintain compliance with current regulatory requirements while preparing for future developments. It also supports the strengthening of our brand reputation, fosters stakeholder trust, attracts responsible investment, and aligns with the evolving expectations of our customers and partners.								

Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).	Venkatraman Narayanan, Managing Director (DIN: 01856347)								
9. Does the entity have a specified Committee of the Board/ Director responsible for decision making on sustainability related issues? (Yes / No). If yes, provide details.	Yes, the Company's CSR Committee of the Board is responsible for decision making on sustainability related issues. For details of the composition, role, and terms of reference, please refer to Annexure III to the Board Report in the Integrated Annual Report FY 2025-26								

10. Details of review of NGRBCs by the Company:

Subject for review	Indicate whether review was undertaken by Director/ Committee of the Board/ Any other Committee									Frequency (Annually/ Half yearly/ Quarterly/ Any other-please specify								
	P1	P2	P3	P4	P5	P6	P7	P8	P9	P1	P2	P3	P4	P5	P6	P7	P8	P9
Performance against above policies and follow up action	Y	Y	Y	Y	Y	Y	Y	Y	Y	Q	Q	Q	Q	Q	Q	Q	Q	Q
Compliance with statutory requirements of relevance to the principles, and, rectification of any non-compliances	Y	Y	Y	Y	Y	Y	Y	Y	Y	Q	Q	Q	Q	Q	Q	Q	Q	Q

11. Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No) If yes, provide the name of the agency.

P1	P2	P3	P4	P5	P6	P7	P8	P9
No, the Company has not carried out an external assurance.								

12. If answer to question (1) above is “No” i.e., not all Principles are covered by a policy, reasons to be stated:

Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
The entity does not consider the principles material to its business (Yes/No)									
The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No)									
The entity does not have the financial or/human and technical resources available for the task (Yes/No)									
It is planned to be done in the next financial year (Yes/No)									
Any other reason (please specify)									

SECTION C: PRINCIPAL WISE PERFORMANCE DISCLOSURE

PRINCIPLE 1: Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable.

Essential Indicators

1. Percentage coverage by training and awareness programs on any of the principles during the financial year.

Segment	Total number of training and awareness programs held	Topics / principles covered under the training and its impact	% of persons in respective category covered by the awareness programs
Board of Directors	0	NA	NA
Key Managerial Personnel	0	NA	NA
Employees other than BoD and KMPs	50	All 9 NGRBC Principles were covered	96%
Workers	NA	NA	NA

2. Details of fines / penalties /punishment/ award/ compounding fees/ settlement amount paid in proceedings (by the entity or by directors / KMPs) with regulators/ law enforcement agencies/ judicial institutions, in the financial year, in the following format (Note: the entity shall make disclosures on the basis of materiality as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Obligations) Regulations, 2015 and as disclosed on the entity's website):

Monetary					
	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Amount (In INR)	Brief of the Case	Has an appeal been preferred? (Yes/No)
Penalty/ Fine	Not Applicable as there were no cases of fines/penalties/punishments from any regulatory body for the reporting period.				
Settlement					
Compounding fee					
Non-Monetary					
	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Brief of the Case	Has an appeal been preferred? (Yes/No)	
Imprisonment	Not Applicable as there were no cases of fines/penalties/punishments from any regulatory body for the reporting period.				
Punishment					

3. Of the instances disclosed in Question 2 above, details of the Appeal/ Revision preferred in cases where monetary or non-monetary action has been appealed.

Case Details	Name of the regulatory/ enforcement agencies/ judicial institutions
Not Applicable	

4. Does the entity have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web-link to the policy.

Happiest Minds strongly upholds trust and integrity as central values within its organizational culture. The Company's Integrity Policy underscores its dedication to adhering to the highest ethical standards in all business practices, focusing on honesty, transparency, and moral conduct. The Anti-Bribery Policy firmly prohibits bribery, kickbacks, improper gifts, or unlawful payments intended to gain an unfair advantage. This policy applies to all individuals associated with the Company, such as Directors, employees, partners, and consultants. Happiest Minds emphasizes building partnerships based on trust and mutual benefit, ensuring its anti-corruption policies are clear and accessible. The aim is to create a corporate culture that fosters ethical behavior and supports long-term, principled business operations. The Policy under clause 5.1, is part of the Company's core values, represented by SMILES (Sharing, Mindful, Integrity, Learning, Excellence, and Social Responsibility). The web link to access the policies is mentioned below:

- <https://www.happiestminds.com/investors/policy-documents/>
- <https://www.happiestminds.com/investors/policy-document/Integrity-Policy.pdf>

5. Number of Directors/KMPs/employees/workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/ corruption:

	FY 2026	FY 2025
Directors	0	0
KMPs	0	0
Employees	0	0
Workers	0	0

6. Details of complaints with regard to conflict of interest:

	FY 2026		FY 2025	
	Number	Remarks	Number	Remarks
Number of complaints received in relation to issues of Conflict of Interest of the Directors	0	NA	0	NA
Number of complaints received in relation to issues of Conflict of Interest of the KMPs	0	NA	0	NA

7. Provide details of any corrective action taken or underway on issues related to fines/ penalties / action taken by regulators/ law enforcement agencies/ judicial institutions, on cases of corruption and conflicts of interest.

Not Applicable

8. Number of days of accounts payables ((Accounts payable *365) / Cost of goods/services procured) in the following format:

	FY 2026	FY 2025
Number of days of accounts payables	20	29

9. Open-ness of business

Provide details of concentration of purchases and sales with trading houses, dealers, and related parties along-with loans and advances & investments, with related parties, in the following format:

Parameter	Metrics	FY 2026	FY 2025
Concentration of Purchases	a. Purchases from trading houses as % of total purchases	NA	NA
	b. Number of trading houses where purchases are made from	NA	NA
	c. Purchases from top 10 trading houses as % of total purchases from trading houses	NA	NA
Concentration of Sales	a. Sales to dealers/ distributors as % of total sales	NA	NA
	b. Number of dealers distributors to whom sales are made	NA	NA
	c. Sales to top 10 dealers/ distributors as % of total sales to dealers/ distributors	NA	NA
Share of RPTs in	a. Purchases (Purchases with related parties/ Total Purchases)	NA	NA
	b. Sales (Sales to related parties/ Total Sales)	6.0%	2.0%
	c. Loans & advances (Loans & advances given to related parties / Total loans & advances)	NA	65%
	d. Investments (Investments in related parties/ Total Investments made)	NA	NA

Leadership Indicators

1. Awareness programs conducted for value chain partners on any of the principles during the financial year:

Total number of awareness programs held	Topics / principles covered under the training	% of value chain partners covered (by value of business done with such partners) under the awareness programs
---	--	---

The Company did not conduct awareness programs for its value chain partners during the current reporting period but intends to undertake such initiatives in future reporting cycles to strengthen engagement and promote responsible practices.

2. Does the entity have processes in place to avoid/ manage conflict of interests involving members of the Board? (Yes/No). If yes, provide details of the same.

Yes, Happiest Minds has established processes to prevent and address conflicts of interest involving the board members and senior management. The Company's Code of Conduct for Directors and Senior Management requires that Board members and Senior Management refrain from participating in discussions, voting, or influencing decisions where they have or may have a conflict of interest. They are also required to disclose any situations that could lead to potential conflicts of interest, avoid serving as directors of competing companies, or obtain prior approval from the Board before accepting such roles. Additionally, they must refrain from holding positions or engaging in external business activities that could interfere with their job performance.

The policy extends to Independent Directors, who must inform the Board of any changes in their interests that could affect their independence or objectivity. The Managerial Excellence and Development of Agile Leaders (MEDAL) program offers training on avoiding conflicts for employees in categories C7 and above (around 120 individuals). The 'WE HEAR' tool allows employees to raise conflict-related concerns via email to the Chief People Officer, who then assembles a team to address the issue. The Company ensures that its operations comply with all relevant laws, regulations, and rules, and the Happiest Minds Code of Conduct plays a key role in the Company's success.

PRINCIPLE 2: Business should provide goods and services in a manner that is sustainable and safe
Essential Indicators

1. Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and capex investments made by the entity, respectively.

	FY 2026	FY 2025	Details of improvements in environmental and social impacts
R&D	NA	NA	
Capex	0%	0%	

2. a. Does the entity have procedures in place for sustainable sourcing? (Yes/No)

Yes; the entity has procedures in place for Sustainable sourcing.

b. If yes, what percentage of inputs were sourced sustainably?

16%

3. Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for

(a) Plastics (including packaging)

(b) E-waste

(c) Hazardous waste and

(d) other waste.

Not Applicable, as we are a service-based Company and do not deliver any product to the customer that can be re-claimed or recycled.

4. Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes / No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same.

Not Applicable owing to the nature of business.

Leadership Indicators

1. Has the entity conducted Life Cycle Perspective / Assessments (LCA) for any of its products (for manufacturing industry) or for its services (for service industry)? If yes, provide details in the following format?

NIC Code	Name of Product / Service	% of total Turnover contribute	Boundary for which the Life Cycle Perspective / Assessment was conducted	Whether conducted by independent external agency (Yes/No)	Results communicated in public domain (Yes/No) If yes, provide the web-link.
The Company has not conducted Life Cycle Assessment for any of its products.					

2. If there are any significant social or environmental concerns and/or risks arising from production or disposal of your products / services, as identified in the Life Cycle Perspective / Assessments (LCA) or through any other means, briefly describe the same along-with action taken to mitigate the same.

Name of Product/Service	Description of the risk/concern	Action Taken
Not Applicable		

3. Percentage of recycled or reused input material to total material (by value) used in production (for manufacturing industry) or providing services (for service industry).

Indicate input material	Recycled or re-used input material to total material	
	FY 2026	FY 2025
Not Applicable owing to the nature of business.		

4. Of the products and packaging reclaimed at end of life of products, amount (in metric tonnes) reused, recycled, and safely disposed, as per the following format:

	FY 2026			FY 2025			FY 2024		
	Re-Used	Recycled	Safely Disposed	Re-Used	Recycled	Safely Disposed	Re-Used	Recycled	Safely Disposed
Plastics (including packaging)									
E-waste									
Hazardous waste									
Other waste									

Not Applicable owing to the nature of business.

5. Reclaimed products and their packaging materials (as percentage of products sold) for each product category.

Indicate product category	Reclaimed products and their packaging materials as % of total products sold in respective category
Not Applicable owing to the nature of business.	

PRINCIPLE 3: Business should respect and promote the well-being of all employees, including those in their value chains

Essential Indicators

1. a. Details of measures for the well-being of employees:

Category	% of employees covered by										
	Total (A)	Health insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B/A)	Number (C)	% (C / A)	Number (D	% (D / A	Number (E)	% (E / A)	Number (F)	% (F / A)
Permanent employees											
Male	3504	3504	100%	3504	100%	0	0%	3504	100%	3504	100%
Female	1259	1259	100%	1259	100%	1259	100%	0	0%	1259	100%
Total	4763	4763	100%	4763	100%	1259	27%	3504	73%	4763	100%
Other than Permanent employees											
Male	251	251	100%	251	100%	0	0%	251	100%	251	100%
Female	84	84	100%	84	100%	84	100%	0	0%	84	100%
Total	335	335	100%	335	100%	84	33%	251	67%	335	100%

- b. Details of measures for the well-being of workers:

Category	% of workers covered by										
	Total (A)	Health insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B / A)	Number (C)	% (C / A)	Number (D)	% (D / A)	Number (E)	% (E / A)	Number (F)	% (F / A)
Permanent workers											
Male	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Female	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Total	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Other than Permanent workers											
Male	0	0	0	0	0	0	0	0	0	0	0
Female	0	0	0	0	0	0	0	0	0	0	0
Total	0	0	0	0	0	0	0	0	0	0	0

- c. Spending on measures towards well-being of employees and workers (including permanent and other than permanent) in the following format-

Note: All expenditures related to staff welfare includes Employee Insurance, Benefits, Rewards, Reimbursement and other staff related expenditures, excludes salary/wages.

	FY2026	FY 2025	FY 2024
Cost incurred on well-being measures as a % of total revenue of the Company	1.78%	2.09%	1.5%

2. Details of retirement benefits, for Current FY and Previous Financial Year

Benefits	FY 2026			FY 2025			FY 2024		
	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)
PF	100%	NA	Y	100%	NA	Y	100%	NA	Y
Gratuity	100%	NA	Y	100%	NA	Y	100%	NA	Y
ESI	0.26%	NA	Y	0.50%	100%	Y	0.45 %	95%	Y
Others - please specify	Not Applicable			Not Applicable			Not Applicable		

3. Accessibility of workplaces

- Are the premises / offices of the entity accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard.
- Ramps with handrails
- Lifts/elevators accessible to wheelchair users
- Accessible toilets (Not all locations but most of the locations have this)
- Reserved parking spaces
- Wide doorways and unobstructed pathways
- Accessible seating areas

4. Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web-link to the policy.

The Company does not have a standalone Equal Opportunity Policy under the Rights of Persons with Disabilities Act, 2016; however, it follows an Equal Opportunity Statement and inclusive practices aligned with the applicable legislation.

5. Return to work and retention rates of permanent employees and workers that took parental leave.

Gender	Permanent employees		Permanent workers	
	Return to work rate	Retention rate	Return to work rate	Retention rate
Male	100%	100%	NA	NA
Female	100%	95%	NA	NA
Total	100%	95%	NA	NA

6. Is there a mechanism available to receive and redress grievances for the following categories of employees and workers? If yes, give details of the mechanism in brief.

Yes/No (If Yes, then give details of the mechanism in brief)	
Permanent Workers	NA
Other than Permanent Workers	NA
Permanent Employees	Happiest Minds Technologies has a well-defined and accessible grievance redressal mechanism to receive and address grievances from members. Members may confidentially raise concerns, including those related to discrimination, harassment, or other workplace issues, through "We Hear", the Company's internal online platform that enables direct escalation to senior leadership.
Other than Permanent Employees	Matters relating to sexual harassment are addressed through the Internal Committee (IC), which ensures fair, timely, and impartial resolution. Additionally, a secure whistleblower reporting mechanism remains available to all members for reporting serious concerns, reinforcing the Company's commitment to transparency, accountability, and a safe working environment.

7. Membership of employees and workers in association(s) or Unions recognized by the listed entity:

While the Company does not have any employee / worker unions, it does recognize the right to freedom of association and collective bargaining.

Category	FY 2026			FY 2025		
	Total employees / workers in respective category (A)	No. of employees / workers in respective category, who are part of association(s) or Union (B)	% (B / A)	Total employees / workers in respective category (C)	No. of employees / workers in respective category, who are part of association(s) or Union (D)	% (D / C)
Total Permanent Employees						
Male	NA	NA	NA	NA	NA	-
Female	NA	NA	NA	NA	NA	-
Total Permanent Workers						
Male	NA	NA	NA	NA	NA	-
Female	NA	NA	NA	NA	NA	-

8. Details of training given to employees and workers:

Category	FY 2026					FY 2025				
	Total (D)	On Health and safety measures		On Skill upgradation		Total (A)	On Health and safety measures		On Skill upgradation	
		No. (E)	% (E / D)	No. (F)	% (F / D)		No. (B)	% (B / A)	No. (C)	% (C / A)
Employees										
Male	3755	Nil	Nil	3468	92%	3545	Nil	Nil	3203	90%
Female	1343	Nil	Nil	1296	97%	1341	Nil	Nil	1126	84%
Total	5098	Nil	Nil	4764	93%	4886	Nil	Nil	4329	89%
Workers										
Male										
Female										
Total										

9. Details of performance and career development reviews of employees and worker:

Category	FY 2026			FY 2025		
	Total (A)	No. (B)	% (B / A)	Total (C)	No. (D)	% (D / C)
Employees						
Male	3755	3224	86%	3545	3267	92%
Female	1343	1181	88%	1341	1196	89%
Total	5098	4405	86%	4886	4463	91%
Workers						
Male						
Female						
Total						

Not applicable

10. Health and safety management system:

- a. **Whether an occupational health and safety management system has been implemented by the entity? (Yes/No). If yes, the coverage of such a system?**

No

- b. **What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?**

Identified risks are recorded and updated in the risk register and are assessed on a half-yearly basis in coordination with the compliance team.

- c. **Whether you have processes for workers to report the work-related hazards and to remove themselves from such risks. (Y/N)**

NO

- d. **Do the employees/workers of the entity have access to non-occupational medical and healthcare services? (Yes/No)**

The Company has partnered with reputable hospitals to offer employees 24/7 teleconsulting services. Additionally, Happiest Minds also provides comprehensive benefits such as Medical Insurance, Voluntary Parental Insurance, and Salary Advances & Compassionate Loans for Medical Emergencies. The Company's commitment to employee well-being extends to offering medical teleconsultation services for employees and their families, ensuring access to quality healthcare whenever needed.

11. Details of safety related incidents, in the following format:

Safety Incident/Number	Category	FY 2026	FY 2025
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	0	0
	Workers	0	0
Total recordable work-related injuries	Employees	0	0
	Workers	0	0
No. of fatalities	Employees	0	0
	Workers	0	0
High consequence work-related injury or ill-health (excluding fatalities)	Employees	0	0
	Workers	0	0

12. Describe the measures taken by the entity to ensure a safe and healthy work place.

The Company places a strong emphasis on prioritizing the safety and well-being of all personnel, including contractors working on its premises. This commitment is evident through the implementation of Personal Protective Equipment (PPE) and adherence to safety protocols outlined in Standard Operating Procedures (SOP). Additionally, annual fire drills are meticulously planned and conducted across all Company locations to ensure preparedness and response in the event of an emergency. The Company has an ERT team dedicated to health and safety of the members.

By maintaining a secure and healthy working environment, the Company underscores its dedication to the welfare of its workforce and upholds industry standards for safety.

13. Number of Complaints on the following made by employees and workers:

	FY 2026			FY 2025		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Working Conditions	Nil	Nil	NA	Nil	Nil	NA
Health & Safety	Nil	Nil	NA	Nil	Nil	NA

14. Assessment for the year:

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Health and safety practices	None
Working Conditions	None

15. Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks/ concerns arising from assessments of health & safety practices and working conditions.

Not Applicable

Leadership Indicators

1. Does the entity extend any life insurance or any compensatory package in the event of death of (A) Employees (Y/N) (B) Workers(Y/N).

A) Employees(Y/N) - Yes, the Company provides life insurance coverage, with the sum insured determined based on the employee's competency level. In the event of the employee's demise, the insurance benefit is disbursed to the declared nominee.

B) Workers(Y/N) - We don't have blue collared workers as a part of Happiest Minds Payroll

2. Provide the measures undertaken by the entity to ensure that statutory dues have been deducted and deposited by the value chain partners.

The Company is committed to ensuring that its value chain partners adhere to the legal and ethical standards of deducting and depositing the statutory dues as per the applicable laws and regulations. Furthermore, the Company regularly conducts internal reviews, awareness and training sessions for its value chain partners to sensitize them on the importance and timeliness of paying the statutory dues and complying with the legal and ethical standards.

3. Provide the number of employees / workers having suffered high consequence work-related injury / ill-health / fatalities (as reported in Q11 of Essential Indicators above), who have been are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment:

	Total no. of affected employees/ workers		No. of employees/workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment	
	FY 2026	FY 2025	FY 2026	FY 2025
Employees	0	0	0	0
Workers	0	0	0	0

4. Does the entity provide transition assistance programs to facilitate continued employability and the management of career endings resulting from retirement or termination of employment? (Yes/ No)

The Company currently does not provide transition assistance in the absence of a defined retirement age.

5. Details on assessment of value chain partners:

	% of value chain partners (by value of business done with such partners) that were assessed
Health and safety practices	NA
Working Conditions	

6. Provide details of any corrective actions taken or underway to address significant risks/concerns arising from assessments of health and safety practices and working conditions of value chain partners.

Yes, based on the risk assessment and risk evaluation, appropriate security controls have been implemented and documented in the risk register.

PRINCIPLE 4: Business should respect the interests of and be responsive to all its stakeholders

Essential Indicators

1. Describe the processes for identifying key stakeholder groups of the entity.

Happiest Minds identifies its key stakeholder groups through a structured and ongoing engagement process with both internal and external stakeholders. These include employees, customers, investors, partners, suppliers, regulatory bodies, and the communities in which the Company operates.

The identification process involves assessing the level of influence and impact each stakeholder group has on the business, as well as the Company's impact on them. Inputs from stakeholders are gathered through surveys, meetings, feedback sessions, and continuous communication channels, enabling the Company to effectively understand and address their expectations and concerns

2. List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group.

Stakeholder Group	Whether identified as Vulnerable & Marginalized Group (Yes/No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually/ Half yearly/ Quarterly / others - please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Customers	No	Project-related calls, and meetings; project management reviews; relationship meetings and reviews; executive meetings and briefings; customer visits; responses to RFIs/ RFPs; sponsored events; mailers; newsletters; brochures, Company website; social media (LinkedIn, Instagram, YouTube, Threads, X, Facebook); Customer Happiness Surveys; sponsored community events	Continuous/ Annually	These interactions facilitate a deeper understanding of client needs, industry dynamics, and business challenges, while also helping to identify opportunities for customer acquisition and ensuring the delivery of high-quality services to existing clients.
People	No	Town halls; project or operations reviews; video conferences; audio conference calls; PEP; Yammer (employee forum); one-on-one counselling; iAppreciate (Portal for employee appreciation); Leave donation scheme (Donating Leave for fellow Employees in need); Wellness programs; Employee Engagement programs; Annual reviews; Employee Committees	Continuous/ Annually	Employee engagement is conducted throughout the year with the following key objectives: - To communicate important developments - To involve employees in decision-making processes and align them with the Company's Vision, Values, and business strategy; - To motivate and empower employees, thereby enhancing job satisfaction and fulfilling the Company's employee value proposition; - To provide an effective grievance redressal mechanism; and - To conduct internal surveys for gathering insights and continuous improvement.

Stakeholder Group	Whether identified as Vulnerable & Marginalized Group (Yes/No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually/ Half yearly/ Quarterly / others - please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Shareholders & Investors	No	Press releases and press conferences; email advisories; in-person meetings; investor conferences; disclosure; social and environmental sustainability, financial statements in IND AS and IFRS; earnings call; exchange notifications; press conferences; Investors page, on our website Annual General Meeting; Annual Report.	Continuous/ Annually	This approach fosters transparency, addresses shareholder concerns, and strengthens investor relations, ensuring that the Company remains responsive to their priorities.
Alliance Partners	No	Meetings/calls; visits; Partner events; Conference calls; Business reviews	Others-as needed	The engagements serve to help in strategic collaboration, innovation, capability building, operational efficiency, sustainability and shared values.
Community	Yes	Presentations; Project meetings; Reviews; calls and meetings; surveys; consultative sessions; field visits; due diligence; conferences and seminars; surveys; press releases; press conferences; sponsored events; contribute time and financial resources in a social cause, actively engage, participate and support social and environmental causes and associate with organizations working towards this goal.	Others-as needed	The engagement facilitates effective communication of the Company's performance and strategic direction. Collaboration with partner NGOs plays a vital role in identifying focus areas for implementation and development of the Company's CSR initiatives.
Vendors	No	Meetings, Audits, Self-assessments	Others-as needed	Compliance with regulations/ agreements entered into with vendors
Government and Regulatory Bodies	No	Inputs towards drafting new policies, rules & regulations	Others-as needed	Regulatory compliances

Leadership Indicator

1. Provide the processes for consultation between stakeholders and the Board on economic, environmental, and social topics or if consultation is delegated, how is feedback from such consultations provided to the Board.

Not Applicable

2. Whether stakeholder consultation is used to support the identification and management of environmental, and social topics (Yes / No). If so, provide details of instances as to how the inputs received from stakeholders on these topics were incorporated into policies and activities of the entity.

Not Applicable

3. Provide details of instances of engagement with, and actions taken to, address the concerns of vulnerable/ marginalized stakeholder groups.

Not Applicable

PRINCIPLE 5: Businesses should respect and promote human rights

Essential Indicators

1. Employees and workers who have been provided training on human rights issues and policy(ies) of the entity, in the following format:

Category	FY 2026			FY 2025		
	Total (C)	No. of employees / workers covered (D)	% (D / C)	Total (A)	No. of employees / workers covered (B)	% (B / A)
Employees						
Permanent	4763	4763	100%	4886	4886	100%
Other than permanent	335	335	100%	212	212	100%
Total Employees	5098	5098	100%	5098	5098	100%
Workers						
Permanent						
Other than permanent						
Total Workers						

2. Details of minimum wages paid to employees and workers, in the following format:

Category	FY 2026					FY 2025				
	Total (A)	Equal to Minimum Wage		More than Minimum Wage		Total (D)	Equal to Minimum Wage		More than Minimum Wage	
		No. (B)	% (B / A)	No. (C)	% (C / A)		No. (E)	% (E / D)	No. (F)	% (F / D)
Employees										
Permanent	4763	NA	NA	4763	100%	4886	NA	NA	4886	100%
Male	3504	NA	NA	3504	100%	3545	NA	NA	3545	100%
Female	1259	NA	NA	1259	100%	1341	NA	NA	3141	100%
Other than Permanent	335	0	0%	335	100%	212	4	2%	208	100%
Male	251	0	0%	251	100%	152	1	1%	151	99%
Female	84	0	0%	84	100%	60	3	5%	57	95%
Workers										
Permanent										
Male										
Female										
Other than Permanent										
Male										
Female										

Not applicable

3. Details of remuneration/ salary/ wages, in the following format:

a. Median remuneration/wages:

	Male		Female	
	Number	Median remuneration/ salary/ wages of respective category	Number	Median remuneration/ salary/ wages of respective category
Board of Directors (BoD)	5*	3,55,74,639	2	40,00,000
Key Managerial Personnel	2	90,05,230	0	0
Employees other than BoD and KMP	3,492	22,29,035	1,259	16,65,231
Workers				

Note: Remuneration to Chief Executive Officer and Managing Director excludes perquisite value of stock options granted.

b. Gross wages paid to females as % of total wages paid by the entity, in the following format:

	FY 2026	FY 2025
Gross wages paid to females as % of total wages	27%	21%

4. Do you have a focal point (Individual/ Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? (Yes/No)

Yes, Happiest Minds has designated focal points responsible for addressing human rights impacts or issues. Concerns related to human rights are directed to the Chief People Officer (CPO) and the People Practice team, who are entrusted with ensuring adherence to the Company's human rights commitments.

This team oversees the implementation of relevant policies, addresses grievances in a timely and fair manner, and ensures that issues are resolved in alignment with the Company's values of respect, inclusion, and ethical conduct.

5. Describe the internal mechanisms in place to redress grievances related to human rights issues.

Happiest Minds has established a comprehensive internal grievance redressal framework to address concerns related to human rights. Members have access to multiple secure and confidential reporting channels, including the Internal Committee (IC) for matters relating to sexual harassment, the Whistleblower mechanism for reporting concerns that may have a significant impact on the Company's operations, performance, reputation, or value, and the "We Hear" portal, which enables members to directly raise issues with the Chief People Officer (CPO). Concerns raised through the Whistleblower mechanism are addressed through a structured process with appropriate oversight and due diligence. All grievances are addressed in a timely, impartial, and transparent manner, with safeguards in place to ensure confidentiality and protection against retaliation.

6. Number of Complaints on the following made by employees and workers:

	FY 2026			FY 2025		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Sexual Harassment	3	0	-	0	0	-
Discrimination at workplace	0	0	-	0	0	-
Child Labour	0	0	-	0	0	-
Forced Labour/Involuntary Labour	0	0	-	0	0	-
Wages	0	0	-	0	0	-
Other human rights related issues	0	0	-	0	0	-

7. Complaints filed under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, in the following format:

	FY 2026	FY 2025	FY 2024
Total Complaints reported under Sexual Harassment on of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH)	3	0	0
Complaints on POSH as a % of female employees / workers	0.22%	0%	0%
Complaints on POSH upheld	3	0	0

8. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.

Happiest Minds Technologies is committed to providing a safe, inclusive, and equitable workplace, free from discrimination, harassment, and retaliation. The Company has a comprehensive POSH (Prevention of Sexual Harassment) policy and an Internal Committee (IC) to address complaints confidentially and fairly, with no adverse consequences for the complainant. Regular POSH training is mandatory for all employees, including during induction.

To promote gender diversity, the Company runs targeted programs to enhance women's participation across all levels and has established supportive workplace guidelines. These efforts reflect Happiest Minds' dedication to fostering a respectful and harassment-free environment for all.

9. Do human rights requirements form part of your business agreements and contracts? (Yes/No)

Yes, human rights requirements form an integral part of our business agreements and contracts. Happiest Minds ensures that all partners and vendors adhere to ethical practices and comply with applicable human rights standards, aligning with our commitment to responsible and inclusive business conduct. These requirements are reinforced through our Code of Conduct and periodic assessments, promoting accountability across our value chain.

10. Assessment for the year:

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Child labor	100%
Forced/involuntary labor	100%
Sexual harassment	100%
Discrimination at workplace	100%
Wages	100%
Others-please specify	NA

11. Provide details of any corrective actions taken or underway to address significant risks/ concerning arising from the assessments at Question 10 above.

Not applicable

Leadership Indicators

1. Details of a business process being modified / introduced as a result of addressing human rights grievances/complaints.

No business processes have been revised or introduced, as our comprehensive human rights and redressal policies already encompass all necessary provisions. This strong framework ensures that any new measures align with existing guidelines, safeguarding the rights and needs of our workforce.

2. Details of the scope and coverage of any Human rights due-diligence conducted.

Happiest Minds Technologies has implemented a comprehensive Code of Conduct that serves as the foundation for upholding human rights across all its operations. This policy ensures responsible business practices by promoting fairness, dignity, and respect for all individuals associated with the Company. While a formal human rights due diligence process is yet to be undertaken, the Code of Conduct outlines clear expectations for ethical behavior, non-discrimination, and a safe, inclusive work environment, reinforcing the Company's commitment to human rights compliance throughout its value chain.

3. Is the premise/office of the entity accessible to differently abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016?

Yes, Happiest Minds' offices are accessible to all as per the requirements of the Rights of Persons with Disabilities Act, 2016

4. Details on assessment of value chain partners:

	% of value chain partners (by value of business done with such partners) that were assessed
Child labor	Nil
Forced/involuntary labor	Nil
Sexual harassment	Nil
Discrimination at workplace	Nil
Wages	Nil
Others-please specify	Nil

5. Provide details of any corrective actions taken or underway to address significant risks/ concerns arising from the assessments at Question 4 above.

Not Applicable

PRINCIPLE 6: Businesses should respect and make efforts to protect and restore the environment

Essential Indicators

1. Details of total energy consumption (in Joules or multiples) and energy intensity, in the following format:

Parameter	Unit	FY 26	FY 25	FY 24
Total electricity consumption (A)	GJ	1760.19	1752.18	1773.2124
Total fuel consumption (B)	GJ	NA	NA	NA
Energy consumption through other sources (C)	GJ	NA	NA	NA
Total energy consumed from renewable sources (A+B+C)	GJ	1760.19	1752.18	1773.2124
Total electricity consumption (D)		14490.73	14441.03	14288.43
Total fuel consumption (E)		1001.32	1561.00	1764.47
Energy consumption through other sources (F)		NA	NA	NA
Total energy consumed from non-renewable sources Total D+E+F =		15492.05	16002.03	16052.90
Total energy consumed (A+B+C+D+E+F)		17252.24	17754.19	17826.11
Energy intensity per lakh rupee of turnover (Total energy consumption/ turnover in rupees)		0.1	0.12	0.12
Energy intensity per lakh rupee of turnover adjusted for Purchasing Power Parity (PPP)* (Total energy consumed/ Revenue from operations adjusted for PPP)		2.03	2.48	2.71
Energy intensity in terms of physical output		NA	NA	NA
Energy intensity (optional) - the relevant metric may be selected by the entity				

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No, the Company has not conducted any external assurance.

* As of April 2026, conversion factor for purchasing power parity for India is 20.34 (Local

Currency Units, that is INR) per international dollar as published by International Monetary Fund. This factor is used throughout this report for intensity calculations, wherever applicable.

2. Does the entity have any sites / facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any.

NO

3. Provide details of the following disclosures related to water, in the following format:

Parameter	FY2026	FY 2025	FY 2024
(i) Surface Water	0	0	0
(ii) Ground Water	20,532.96	68439.60	6336.206
(iii) Third Party Water	1896.84	3179	2868
(iv) Seawater / desalinated water	0	0	0
(v) Others	0	0	0
Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)	22,429.8	71618.60	9204.206
Total volume of water consumption (in kilolitres)	22,429.8	71618.60	9204.206
Water intensity per lakh rupee of turnover (Total Water consumption / Revenue from operations)	0.12	0.48	0.062
Water intensity per lakh rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total water consumption/ Revenue from operations adjusted for PPP)	2.64	9.99	1.429
Water intensity in terms of physical output	NA	NA	NA
Water intensity (optional) – the relevant metric may be selected by the entity		–	–

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No, the Company has not conducted any external assurance.

4. Provide the following details related to water discharged:

Parameter	FY 2026	FY 2025	FY 2024
i) To surface water	NIL	Nil	Nil
- No treatment			
- With treatment-please specify level of treatment	Not Applicable as no water was discharged after treatment	Not Applicable as no water was discharged after treatment	Not Applicable as no water was discharged after treatment
ii) To Groundwater	Nil	Nil	Nil
- No treatment			
- With treatment-please specify level of treatment			
iii) To Seawater	Nil	Nil	Nil
- No treatment			
- With treatment-please specify level of treatment			
iv) Sent to third-parties	Nil	Nil	Nil
- No treatment			
- With treatment-please specify level of treatment			
v) Others	Nil	Nil	Nil
- No treatment			
- With treatment-please specify level of treatment			
Total water discharge (in kilolitres)	0	0	0

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency

No, the Company has not conducted any external assurance.

5. Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.

Yes, all used water is treated in our STP facility and reused for toilet flushing and gardening purposes. There is no provision for discharging treated or untreated water outside the campus.

6. Please provide details of air emissions (other than GHG emissions) by the entity, in the following format:

Parameter	Please specify unit	FY2026	FY 2025	FY 2024
NOx	µg/m ³	25.9	26.7	15
Sox	µg/m ³	12.1	11.2	7.5
Particulate matter (PM)	µg/m ³	28.4	36.3	32.6
Persistent organic compounds (POP)	µg/m ³	26.3	25.3	25.3
Volatile organic compounds (VOC)	µg/m ³	NA	NA	NA
Hazardous air pollutants (HAP)	µg/m ³	NA	5.6	5.6
Others-please specify	µg/m ³	NA	NA	NA

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No, the Company has not conducted any external assurance.

7. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity, in the following format:

Parameter	Unit	FY 2026	FY 2025
Total Scope 1 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	Metric tonnes of CO ₂ equivalent	741	1012
Total Scope 2 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	Metric tonnes of CO ₂ equivalent	2721	2872
Total Scope 1 and Scope 2 emission intensity per lakh rupee of turnover (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations)		0.02	0.03
Total Scope 1 and Scope 2 emission intensity per lakh rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations adjusted for PPP)		0.41	0.54
Total Scope 1 and Scope 2 emission intensity in terms of physical output		NA	NA

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No, the Company has not conducted any external assurance.

8. Does the entity have any project related to reducing Green House Gas emission? If Yes, then provide details.

The Company is actively working towards reducing its greenhouse gas (GHG) emissions and remains committed to continually enhancing its efforts in this direction.

9. Provide details related to waste management by the entity, in the following format:

Parameter	FY 2026	FY 2025
Total Waste generated (in metric tonnes)		
Plastic waste (A)	NA	NA
E-waste (B)	3.08	0.19
Construction and demolition waste (D)	60	91.50
Battery waste (E)	0	0
Radioactive waste (F)	0	0
Other Hazardous waste. Please specify, if any. (G)	0	0
Other Non-hazardous waste generated (H). Please specify, if any. (Break-up by composition i.e. by materials relevant to the sector)	5.52	57.6
Total (A+B + C + D + E + F + G + H)	68.6	149.29
Waste intensity per lakh rupee of turnover (Total waste generated / Revenue from operations)	0.0004	0.001
Waste intensity per lakh rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total waste generated / Revenue from operations adjusted for PPP)	0.01	0.02
Waste intensity in terms of physical output	NA	NA
Waste intensity (optional) – the relevant metric may be selected by the entity	-	-
For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)		
Category of waste		
i) Recycled	NA	NA
ii) Re-used	NA	NA
iii) Other recovery operations	NA	NA
Total	NA	NA
For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)		
Category of waste		
i) Incineration	NA	NA
ii) Landfilling	NA	NA
iii) Other disposal operations	68.6	149.29
Total	68.6	149.29

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No External assurance done.

10. Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your Company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes

Happiest Minds Technologies has adopted responsible waste management practices across its establishments. Wastewater is efficiently recycled through a Sewage Treatment Plant (STP) and reused for gardening and washroom purposes. E-waste is disposed of in compliance with Pollution Control Board (PCB) norms, ensuring environmentally safe handling. Food waste is composted and repurposed as organic manure, supporting sustainable practices.

Additionally, the Company follows strict protocols to minimize the use of hazardous and toxic chemical wastes in its operations, effectively preventing the generation of such waste and reinforcing its commitment to environmental stewardship.

11. If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals / clearances are required, please specify details in the following format:

Sr. no.	Location of operations/offices	Type of operations	Whether the conditions of environmental approval/ clearance are being complied with? (Y/N) If no, the reasons thereof and corrective action taken, if any.
The Company does not have any operations in ecologically sensitive areas.			

12. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year:

Name and brief details of project	EIA Notification No.	Date	Whether conducted by independent external agency (Yes/No)	Results communicated in public domain (Yes/No)	Relevant Web link
Not Applicable					

13. Is the entity compliant with the applicable environmental law/ regulations/ guidelines in India; such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment protection act and rules thereunder (Y/N). If not, provide details of all such non-compliances, in the following format:

S. No.	Specify the law / regulation / guidelines which was not complied with	Provide details of the non-compliance	Any fines / penalties / action taken by regulatory agencies such as pollution control boards or by courts	Corrective action taken, if any
Yes, the Company is in compliance with the relevant laws and regulations.				

Leadership Indicators

1. Water withdrawal, consumption and discharge in areas of water stress (in kilolitres):

For each facility/ plant located in areas of water stress, provide the following information:

i) Name of the area

ii) Nature of operations

iii) Water withdrawal, consumption and discharge in the following format:

Not Applicable, as the Company's operations do not fall under water stress areas.

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Not Applicable

2. Please provide details of total Scope 3 emissions & its intensity, in the following format:

Parameter	Unit	FY 2026	FY 2025
Total Scope 3 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	Metric tonnes of CO ₂ equivalent	4922	4672
Total Scope 3 emissions per lakh rupee of turnover		0.02	0.03
Total Scope 3 emission intensity (optional) – the relevant metric may be selected by the entity		-	-

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No, the Company has not conducted any external assurance

3. With respect to the ecologically sensitive areas reported at Question 11 of Essential Indicators above, provide details of significant direct & indirect impact of the entity on biodiversity in such areas along with prevention and remediation activities.

Not Applicable

4. If the entity has undertaken any specific initiatives or used innovative technology or solutions to improve resource efficiency, or reduce impact due to emissions / effluent discharge / waste generated, please provide details of the same as well as outcome of such initiatives, as per the following format:

Sr. No	Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along-with summary)	Outcome of the initiative
The Company has not invested in any new innovative technologies or solutions during the reporting period.			

5. Does the entity have a business continuity and disaster management plan? Give details in 100 words/ web link.

Yes, Happiest Minds Technologies has a well-defined Business Continuity Management (BCM) framework designed to ensure the uninterrupted delivery of critical business services and rapid recovery from disruptions. The plan covers a range of scenarios including natural disasters, pandemics, cyberattacks, and administrative disruptions. Regular risk assessments, recovery drills, and preventive measures are conducted to strengthen organizational resilience and preparedness. The framework is integrated into the Company's overall risk management strategy to safeguard operations, employees, and customer commitments. For more details, refer to: <https://www.happiestminds.com/whitepapers/BCP-and-DR-plan-with-NAS-solution.pdf>

6. Disclose any significant adverse impact to the environment, arising from the value chain of the entity. What mitigation or adaptation measures have been taken by the entity in this regard.

Happiest Minds Technologies Limited operates an asset-light IT services and digital engineering business model with no ownership or operation of captive data centers. Accordingly, the direct environmental footprint is limited and no significant adverse environmental impact has been identified from Company owned operations. However, potential indirect environmental impacts may arise across the value chain, particularly from energy consumption and associated greenhouse gas emissions of third-party cloud service providers and data centers hosting client workloads, procurement of hardware and IT services from vendors, employee commuting and business travel, and generation of e-waste. To mitigate these impacts, the Company leverages public cloud platforms and partner-managed infrastructure with a focus on optimized architectures and efficient resource utilization, promotes responsible e-waste disposal through authorized recyclers, encourages remote working and digital collaboration to reduce travel related emissions, and integrates ESG considerations into vendor selection and engagement processes. The Company continues to engage with key suppliers and partners to encourage environmentally responsible practices, thereby reducing environmental risks and enhancing sustainability across the value chain.

7. Percentage of value chain partners (by value of business done with such partners) that were assessed for environmental impacts.

Happiest Minds is currently in the process of assessing its top vendors, identified based on business volume, to evaluate their environmental impacts. This initiative is part of the Company's broader commitment to promoting sustainability across its value chain.

8. How many Green Credits have been generated or procured:

a. By the listed entity

b. By the top ten (in terms of value of purchases and sales, respectively) value chain partners.

None

PRINCIPLE 7: Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent

Essential Indicators

1. a. Number of affiliations with trade and industry chambers/associations.

4

- b. List the top 10 trade and industry chambers/associations (determined based on the total members of such a body) the entity is a member of/ affiliated to.

S. No.	Name of the trade and industry chambers/ associations	Reach of trade and industry chambers/ associations (State/National)
1	Confederation of Indian Industry (CII)	National
2	National Association of Software and Service Companies (NASSCOM)	National
3	Federation of Karnataka Chambers of Commerce and Industry (FKCCI)	State
4	Indo-German Chamber of Commerce	National

2. Provide details of corrective action taken or underway on any issues related to anti-competitive conduct by the entity, based on adverse orders from regulatory authorities.

There are no orders from regulatory authorities on any issues of anti-competitive conduct.

Leadership Indicators

1. Details of public policy positions advocated by the entity:

The Company did not undertake any public policy advocacy positions during the reporting period.

PRINCIPLE 8: Businesses should promote inclusive growth and equitable development

Essential Indicators

1. Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year.

Name and brief details of project	SIA Notification No.	Date of notification	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant Web link
Not Applicable as per the relevant laws.					

2. Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity, in the following format:

S. No	Name of Project for which R&R is ongoing	State	District	No. of Project Affected Families (PAFs)	% of PAFs covered by R&R	Amounts paid to PAFs in the FY (In INR)
Not Applicable						

3. Describe the mechanisms to receive and redress grievances of the community.

Not applicable to us, as our community engagement initiatives are currently implemented through our partner NGOs.

4. Percentage of input material (inputs to total inputs by value) sourced from suppliers:

	FY 2026	FY 2025	FY 2024
Directly sourced from MSMEs/ small producers	32%	13%	18%
Directly from within India	53%	51%	51%

5. **Job creation in smaller towns – Disclose wages paid to persons employed (including employees or workers employed on a permanent or non-permanent / on contract basis) in the following locations, as % of total wage cost**

Location	FY 2026	FY 2025
Rural	0	0
Semi-urban	0	0
Urban	91.22%	85.15%
Metropolitan	8.78%	14.85%

(Place to be categorized as per RBI Classification System - rural / semi-urban / urban / metropolitan)

Leadership Indicators

1. **Provide details of actions taken to mitigate any negative social impacts identified in the Social Impact Assessments (Reference: Question 1 of Essential Indicators above):**

Details of negative social impact identified	Corrective action taken
Not Applicable	

2. **Provide the following information on CSR projects undertaken by your entity in designated aspirational districts as identified by government bodies:**

Sr. No.	State	Aspirational District	Amount spent (In INR)
Not Applicable			

3. a. **Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalized/ vulnerable groups? (Yes/ No)**

Yes

- b. **From which marginalized /vulnerable groups do you procure?**

Not Applicable

- c. **What percentage of total procurement (by value) does it constitute?**

Not Applicable

4. **Details of the benefits derived and shared from the intellectual properties owned or acquired by your entity (in the current financial year), based on traditional knowledge:**

S. No.	Intellectual Property based on traditional knowledge	Owned/ Acquired (Yes/No)	Benefit shared (Yes / No)	Basis of calculating benefit share
Not Applicable				

5. **Details of corrective actions taken or underway, based on any adverse order in intellectual property related disputes wherein usage of traditional knowledge is involved.**

Name of authority	Brief of the Case	Corrective action taken
Not Applicable		

6. **Details of beneficiaries of CSR Projects:**

S. No	CSR Project	No. of persons benefitted from CSR Projects	% of beneficiaries from vulnerable and marginalized groups
1	Grow Trees	2321	100%
2	United Way – Percolation Wells (One Billion Drops)	5,29,426	100%
3	Cauvery Calling	178	100%
4	Akshaya Patra – Education & Nutrition	10,730	100%
5	Idhayangal Charitable Trust – Healthcare	3740	100%
6	Live Love Laugh – Mental Well-being	1500	100%
7	Utkarsh Global Foundation	10,000	100%

PRINCIPLE 9: Businesses should engage with and provide value to their consumers in a responsible manner

Essential indicators

1. **Describe the mechanisms in place to receive and respond to consumer complaints and feedback.**

Happiest Minds Technologies has robust mechanisms in place to receive and respond to customer complaints and feedback, ensuring high-quality service delivery and long-term client satisfaction. The Company leverages early warning systems and structured review processes to proactively identify and address issues. These include weekly project team meetings to assess engagement status, monthly governance meetings between sales and delivery leaders with account executives to evaluate risks and implement mitigation plans, and quarterly governance business review meetings between business unit heads and customer leadership to discuss relationship growth, new initiatives, and address any concerns.

Additionally, the Annual Customer Happiness Survey captures valuable insights into client perceptions. Feedback is systematically analyzed and acted upon, enabling timely course corrections, strengthening partnerships, and driving continuous improvement.

2. **Turnover of products and/ services as a percentage of turnover from all products/service that carry information about:**

As a percentage to total turnover	
Environmental and social parameters relevant to the product	
Safe and responsible usage	Not applicable
Recycling and/or safe disposal	

3. **Number of consumer complaints in respect of the following:**

	FY 2026		Remarks	FY 2025		Remarks
	Received during the year	Pending resolution at end of year		Received during the year	Pending resolution at end of year	
Data privacy	0	0	–	0	0	–
Advertising	0	0	–	0	0	–
Cyber-security	4	0	–	1	1	–
Delivery of essential services	0	0	–	0	0	–
Restrictive Trade Practices	0	0	–	0	0	–
Unfair Trade Practices	0	0	–	0	0	–
Others (Products defects reported)	16	0	–	9	0	–

4. Details of instances of product recalls on account of safety issues:

	Number	Reasons for recall
Voluntary recalls	Not applicable owing to the nature of business.	
Forced recalls		

5. Does the entity have a framework/ policy on cyber security and risks related to data privacy? (Yes/No) If available, provide a web-link of the policy.

Yes, Happiest Minds Technologies has a comprehensive, board-approved Cybersecurity and Data Privacy Policy aligned with ISO 27701 standards. The framework is designed to protect digital and information assets through risk assessments, access controls, incident response protocols, and regular audits. It ensures compliance with global data protection regulations, including the GDPR, reinforcing the Company's commitment to data privacy and customer trust.

An internal governance committee oversees the implementation of cybersecurity measures across networks, applications, and infrastructure. Proactive threat detection, rapid response mechanisms, and continuous monitoring are in place to manage evolving risks and maintain business continuity. The policy is reviewed periodically to strengthen cyber resilience and adapt to emerging challenges. For more information, refer to the privacy policy <https://www.happiestminds.com/privacy-policy/>.

6. Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty / action taken by regulatory authorities on safety of products / services.

Happiest Minds Technologies places strong emphasis on responsible service delivery, data privacy, and cybersecurity. The Company has not faced any instances of product recalls, regulatory penalties, or actions related to the safety of its services. It ensures robust information security practices through strict adherence to ISO 27001 and ISO 27701 standards, which guide its data protection and cybersecurity frameworks. Happiest Minds continuously monitors and improves its systems to maintain high standards of compliance, customer trust, and service quality.

7. Provide the following information relating to data breaches:

a. Number of instances of data breaches

0

b. Percentage of data breaches involving personally identifiable information of customers

0

c. Impact, if any, of the data breaches

Not Applicable

Leadership Indicators

1. Channels / platforms where information on products and services of the entity can be accessed (provide web link, if available).

Information relating to all the products and services provided by Happiest Minds is available on the Company's website: <https://www.happiestminds.com/>

2. Steps taken to inform and educate consumers about safe and responsible usage of products and/ or services.

Not applicable owing to the nature of business.

3. Mechanisms in place to inform consumers of any risk of disruption/ discontinuation of essential services.

Not applicable owing to the nature of business.

4. Does the entity display product information on the product over and above what is mandated as per local laws? (Yes/No/Not Applicable) If yes, provide details in brief. Did your entity carry out any survey with regard to consumer satisfaction relating to the major products / services of the entity, significant locations of operation of the entity or the entity as a whole? (Yes/No)

Given the nature of its business as an IT services and digital solutions provider, Happiest Minds does not offer physical products and therefore does not disclose product information beyond statutory requirements. However, to assess client satisfaction and enhance service delivery, the Company conducts an Annual Customer Happiness Survey across key operational locations.

FINANCIAL STATEMENTS



INDEPENDENT AUDITOR'S REPORT

To The Members of Happiest Minds Technologies Limited Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of **Happiest Minds Technologies Limited** (the "Company"), which comprise the Balance Sheet as at March 31, 2026, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flows and the Statement of Changes in Equity for the year ended on that date, and notes to the financial statements, including a summary of material accounting policies, other explanatory information and financial statements of Happiest Minds Technologies Share Ownership Plans Trust (the "ESOP trust") for the year ended on that date audited by the other auditors ("Trust auditors").

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of report of the Trust auditors on separate financial statements of the ESOP trust referred to in the Other Matters section below, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2026, and its profit, other comprehensive loss, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing ("SA's") specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibility for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us and the audit evidence obtained by the Trust auditors in terms of their reports referred to in the Other Matters section below, is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Sr. No.	Key Audit Matter	Auditor's Response
1.	Fixed price contracts using the percentage of completion method (refer note 2(a) and note 26 of the standalone financial statement) Revenue from fixed-price contracts where the performance obligations are satisfied over time, is recognized using the percentage-of completion method. Use of the percentage-of completion method requires the Company to determine the project costs incurred to date as a percentage of total estimated project costs required to complete the project. The estimation of total project costs involves significant judgement and is assessed throughout the period of the contract to reflect any changes based on the latest available information.	Principal audit procedures performed: Our audit procedures related to estimates of efforts to complete for fixed-price contracts accounted using the percentage-of-completion method included the following, among others: a. We tested the effectiveness of controls relating to (1) recording of efforts incurred and estimation of efforts to complete the remaining contract performance obligations, and (2) access and application controls pertaining to time recording and allocation systems, which prevents unauthorized changes to recording of efforts incurred.

Sr. No.	Key Audit Matter	Auditor's Response
	We identified the revenue recognition for fixed price contracts where the percentage-of completion method is used as a key audit matter because of the significant judgement involved in estimating the efforts to complete such contracts. This estimate has a high inherent uncertainty and requires consideration of progress of the contract, efforts incurred to-date and estimates of efforts to complete the contract. This required a high degree of auditor judgement in evaluating the audit evidence supporting the estimated efforts to complete and a higher extent of audit effort to evaluate the reasonableness of the total estimated efforts used to recognise revenue on fixed-price contracts.	b. We evaluated management's ability to reasonably estimate the progress towards satisfying the performance obligation, by comparing actual information to estimates, for performance obligations that have been fulfilled. c. We selected a sample of fixed price contracts with customers accounted using percentage-of-completion method and performed the following: • Read the contract and based on the terms and conditions evaluated whether recognizing revenue over time was appropriate, and the contract was included in management's calculation of revenue over time. • Evaluated the appropriateness of and consistency in the application of management's policies and methodologies to estimate progress towards satisfying the performance obligation. • Compared efforts incurred with data from the timesheet application system. • Tested the estimate for consistency with the status of delivery of milestones and customer acceptances to identify possible delays in achieving milestones, which require changes in estimated efforts to complete the remaining performance obligations. • We assessed the adequacy of disclosures made in the financial statements with respect to revenue recognized during the year as required by applicable Indian Accounting Standards.

Information Other than the Financial Statements and Auditor's Report Thereon

- The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Company's Annual Report 2025-26, but does not include the consolidated financial statements, standalone financial statements and our auditor's report thereon. The Company's Annual Report 2025-26 is expected to be made available to us after the date of this auditor's report.
- Our opinion on the standalone financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.
- In connection with our audit of the standalone financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. Other information so far as it relates to the ESOP trust, is traced from their financial statements audited by the Trust auditors.
- When we read the Company's Annual Report 2025-26, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance as required under SA 720 'The Auditor's responsibilities Relating to Other Information'.

Responsibilities of Management and Board of Directors for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including Ind AS specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the

Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, management and Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intend to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibility for the Audit of the Standalone Financial Statements

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

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

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to standalone financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the Company and the ESOP trust to express an opinion on the standalone financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities or business activities included in the standalone financial statements of which we are the independent auditors. For the other entities or business activities included in the standalone financial statements, which have been audited by the Trust auditors, such Trust auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

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

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

We did not audit the financial statements of the ESOP trust included in the standalone financial statements of the Company whose financial statements reflect total assets of ₹ 9,568 lakhs as at March 31, 2026 and total revenue of ₹ Nil for the year ended on that date, as considered in the standalone financial statements. The financial statements of the ESOP trust have been audited by the Trust auditors whose reports have been furnished to us, and our opinion in so far as it relates to the amounts and disclosures included in respect of the ESOP trust and our report in terms of subsection (3) of Section 143 of the Act, in so far as it relates to the aforesaid ESOP trust, is based solely on the report of such Trust auditors.

Our opinion on the standalone financial statements and our report on Other Legal and Regulatory Requirements below is not modified in respect of this matter.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit and on the consideration of the reports of the Trust auditors on the separate financial statements of the ESOP trust, referred to in the Other Matters section above we report, to the extent applicable that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books and the reports of the Trust auditors, except for not keeping backup on a daily basis of an accounting software used for maintaining revenue records in a server physically located in India (refer Note 44(j) to the standalone financial statements) and not complying with the requirement of audit trail as stated in (i)(vi) below.
 - c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Cash Flows and Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account and with the financial statements received from the Trust auditors.
 - d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act.
 - e) On the basis of the written representations received from the directors as on March 31, 2026 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2026 from being appointed as a director in terms of Section 164(2) of the Act.

- f) The modification/s relating to the maintenance of accounts and other matters connected therewith, are as stated in paragraph (b) above.
- g) With respect to the adequacy of the internal financial controls with reference to standalone financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls with reference to standalone financial statements.
- h) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.
- i) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
- The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements - Refer Note 41 to the standalone financial statements;
 - The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts, including derivative contracts - Refer Note 37 (B) to the standalone financial statements;
 - There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
 - The Management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
 - The Management has represented, that, to the best of its knowledge and belief, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
 - Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
 - The final dividend proposed in the previous year, declared and paid by the Company during the year is in accordance with section 123 of the Act, as applicable.
- The interim dividend declared and paid by the Company during the year and until the date of this report is in compliance with section 123 of the Act.
- As stated in note 48 to the financial statements, the Board of Directors of the Company has proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend proposed is in accordance with section 123 of the Act, as applicable.
- vi. Based on our examination, which included test checks, the Company has used accounting software for maintaining its books of account for the year ended March 31, 2026 which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software except

- vii. in respect of an accounting software used for maintaining revenue records wherein the audit trail was not enabled at the database level to log any direct data changes.

Further, during the course of our audit, we did not come across any instance of the audit trail feature being tampered with, in respect of said accounting software for the period for which the audit trail feature was enabled and operating.

Additionally, the audit trail that was enabled and operated for the year ended March 31, 2025, has been preserved by the Company as per the statutory requirements for record retention, as stated in Note 44(j) to the financial statements.

2. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

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

Vikas Bagaria
 Partner
 (Membership No. 060408)
 (UDIN : 26060408HIOWCY2550)

Place: Bengaluru
 Date: May 28, 2026

ANNEXURE “A” TO THE INDEPENDENT AUDITOR’S REPORT

(Referred to in paragraph 1(g) under ‘Report on Other Legal and Regulatory Requirements’ section of our report of even date)

Report on the Internal Financial Controls with reference to standalone financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (the “Act”)

We have audited the internal financial controls with reference to standalone financial statements of **Happiest Minds Technologies Limited** (the “Company”) as at March 31, 2026 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management’s and Board of Directors’ Responsibilities for Internal Financial Controls

The Company’s management and Board of Directors are responsible for establishing and maintaining internal financial controls with reference to standalone financial statements based on the internal control with reference to standalone financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor’s Responsibility

Our responsibility is to express an opinion on the Company’s internal financial controls with reference to standalone financial statements of the Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls with reference to standalone financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to standalone financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to standalone financial statements and their operating effectiveness. Our audit of internal financial controls with reference to standalone financial statements included obtaining an understanding of internal financial controls with reference to standalone financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained, is sufficient and appropriate to provide a basis for our audit opinion on the Company’s internal financial controls with reference to standalone financial statements.

Meaning of Internal Financial Controls with reference to standalone financial statements

A company’s internal financial control with reference to standalone financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company’s internal financial control with reference to standalone financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements

in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company’s assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with reference to standalone financial statements

Because of the inherent limitations of internal financial controls with reference to standalone financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to standalone financial statements to future periods are subject to the risk that the internal financial control with reference to standalone financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls with reference to standalone financial statements and such internal financial controls with reference to standalone financial statements were operating effectively as at March 31, 2026, based on the criteria for internal financial control with reference to standalone financial statements established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

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

Vikas Bagaria
 Partner
 (Membership No. 060408)
 (UDIN : 26060408HIOWCY2550)

Place: Bengaluru
 Date: May 28, 2026

ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

To the best of our information and according to the explanations provided to us by the Company and the books of accounts and records examined by us in the normal course of audit, we state that:

- i. In respect of the Company's Property, Plant and Equipment, Capital work-in-progress, right-of-use assets and Intangible Assets:
 - (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment, capital work-in-progress and relevant details of right-of-use assets.
 - (B) The Company has maintained proper records showing full particulars of intangible assets.
 - (b) Some of the Property, Plant and Equipment, capital work-in-progress and right-of-use assets were physically verified during the year by the Management in accordance with a programme of verification, which in our opinion provides for physical verification of all the Property, Plant and Equipment and right-of-use assets at reasonable intervals having regard to the size of the Company and the nature of its activities. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
 - (c) Based on the examination of the registered sale deed provided to us, we report that, the title deeds of all the immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the Company) disclosed in the financial statements (included in property, plant and equipment and capital work in progress) are held in the name of the Company as at the balance sheet date. Immovable properties whose title deeds have been pledged as security for loans are held in the name of the Company based on the confirmations directly received by us from lender.
 - (d) The Company has not revalued any of its Property, Plant and Equipment (including right of use assets) or intangible assets, during the year.
 - (e) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2026 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
- ii.
 - (a) The Company does not have any inventory and hence reporting under clause (ii)(a) of the Order is not applicable.
 - (b) According to the information and explanations given to us, the Company has been sanctioned working capital limits in excess of ₹ 5 cr in aggregate, at points of time during the year, from banks or financial institutions on the basis of security of current assets. In our opinion and according to the information and explanations given to us, the quarterly returns or statements comprising (book debt statements, and other stipulated financial information) filed by the Company with such banks or financial institutions are in agreement with the unaudited books of account of the Company of the respective quarters and no material discrepancies have been observed.
- iii. The Company has made investments in, provided guarantee and granted unsecured loans, to companies, firms, Limited Liability Partnerships or any other parties during the year, in respect of which:

- (a) The Company has provided loans and stood guarantee, the details of which are given below:

(₹ in Lakhs)

Particulars	Loans	Advances in nature of loans	Guarantees	Security
A. Aggregate amount granted / provided during the year:				
- Subsidiaries	-	-	7,586	-
- Joint Venture	-	-	-	-
- Associates	-	-	-	-
- Others	33	-	-	-
B. Balance outstanding as at balance sheet date in respect of above cases:				
- Subsidiaries	-	-	7,586	-
- Joint Ventures	-	-	-	-
- Associates	-	-	-	-
- Others	8	-	-	-

- (b) The investments made, guarantees provided, security given and the terms and conditions of the grant of all the above-mentioned loans and advances in the nature of loans and guarantees provided, during the year are, in our opinion, not prejudicial to the Company's interest.
- (c) In respect of loans granted, the schedule of repayment of principal and payment of interest has been stipulated and the repayments of principal amounts and receipts of interest have been regular as per stipulation, except for the following:

Name of the entity	Nature	Amount (₹ Lakhs)	Due date	Extent of Delay	Remarks, if any
Happiest Minds Inc	Interest	25	November 7, 2025	144 days	-

- (d) According to information and explanations given to us and based on the audit procedures performed, in respect of loans granted and advances in the nature of loans provided by the Company, there is no overdue amount remaining outstanding as at the balance sheet date.
- (e) No loan or advance in the nature of loan granted by the Company have which has fallen due during the year., has been renewed or extended or fresh loans granted to settle the overdues of existing loans given to the same parties.
- (f) According to information and explanations given to us and based on the audit procedures performed, the Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment during the year. Hence, reporting under clause (iii)(f) is not applicable.
- iv. The Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of loans granted, investments made and guarantees and securities provided, as applicable.
- v. The Company has not accepted any deposit or amounts which are deemed to be deposits. Hence, reporting under clause (v) of the Order is not applicable.
- vi. The maintenance of cost records has not been specified for the activities of the Company by the Central Government under section 148(1) of the Companies Act, 2013.
- vii. In our opinion, in respect of statutory dues:
 - (a) Undisputed statutory dues, including Goods and Service Tax, Provident Fund, Employees' State Insurance, Income-tax, Sales Tax, duty of Custom, duty of Excise, Value Added Tax, cess and other material statutory dues applicable to the Company have generally been regularly deposited by it with the appropriate authorities.

There were no undisputed amounts payable in respect of Goods and Service tax, Provident Fund, Income-tax, Sales Tax, Service Tax, duty of Custom, Duty of Excise, Value Added Tax, cess and other material statutory dues in arrears as at March 31, 2026 for a period of more than six months from the date they became payable.

- (b) Details of statutory dues referred to in sub-clause (a) above which have not been deposited as on March 31, 2026 on account of disputes are given below:

Name of the Statute	Nature of the dues	Amount (₹)	Period to which the amount relates	Forum where dispute is pending	Remarks
Goods and Service Tax act ,2017	Ineligible ITC on IPO Expenses	710^	2020-21	Appellate Authority	-
Goods and Service Tax act ,2017	Differences in GSTR-3B and GSTR-1	75*^	2020-21	Appellate Authority	-

^Net of ₹ 42 lakhs paid under protest

* Net of ₹ 8 lakhs paid under protest

- viii. There were no transactions relating to previously unrecorded income that were surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 (43 of 1961) during the year.

- ix. (a) In our opinion, the Company has not defaulted in the repayment of loans or other borrowings or in the payment of interest thereon to any lender during the year.

- (b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

To the best of our knowledge and belief, in our opinion, term loans availed by the Company were, applied by the Company during the year for the purposes for which the loans were obtained.

- (c) The Company has not taken any term loan during the year and there are no unutilised term loans at the beginning of the year and hence, reporting under clause 3(ix)(c) of the Order is not applicable.

- (d) On an overall examination of the Financial Statements of the Company, funds raised on short term basis, have, prima facie, not been used during the year, for long term purposes by the Company.

- (e) On an overall examination of the Financial Statements of the Company, the company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries.

- (f) The Company has not raised loans during the year on the pledge of securities held in its subsidiaries.

- x. (a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause (x)(a) of the Order is not applicable.

- (b) During the year the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause 3(x)(b) of the Order is not applicable to the Company.

- xi. (a) To the best of our knowledge, no fraud by the Company and no material fraud on the Company has been noticed or reported during the year.

- (b) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.

- (c) As represented to us by the Management, there were no whistle blower complaints received by the Company during the year (and up to the date of this report).

- xii. The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.

- xiii. In our opinion, the Company is in compliance with Section 177 and 188 of the Companies Act, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements as required by the applicable accounting standards.

- xiv. (a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.

- (b) We have considered, the internal audit reports issued to the Company during the year and covering the period upto March 31, 2026, in determining the nature, timing and extent of our audit procedures.

- xv. In our opinion during the year the Company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.

- xvi. (a) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause (xvi)(a), (b) and (c) of the Order is not applicable.

- (b) In our opinion, there is no core investment Company with the Group (as identified in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause 3(xvi)(d) of the Order is not applicable.

- xvii. The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.

- xviii. There has been no resignation of the statutory auditors of the Company during the year.

- xix. On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date.

We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

- xx. The Company has fully spent the required amount towards Corporate Social Responsibility (CSR) and there is no unspent CSR amount for the year requiring a transfer to a Fund specified in Schedule VII to the Companies Act or special account in compliance with the provision of sub-section (6) of section 135 of the said Act. Accordingly, reporting under clause 3(xx) of the Order is not applicable for the year.

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

Vikas Bagaria
 Partner

(Membership No. 060408)
 (UDIN : 26060408HIOWCY2550)

Place: Bengaluru
 Date: May 28, 2026

STANDALONE BALANCE SHEET

AS AT MARCH 31, 2026

(All amounts in ₹ lakhs, unless otherwise stated)

	Notes	As at March 31, 2026	As at March 31, 2025
Assets			
Non-current assets			
Property, plant and equipment	3	13,138	13,671
Goodwill	4	6,015	6,015
Other intangible assets	4	4,577	5,822
Intangible assets under development	4	83	18
Right-of-use assets	5	5,416	6,080
Financial assets			
i. Investments	6A	79,958	78,307
ii. Loans	7	-	1,250
iii. Other financial assets	8	27,103	7,164
Income tax assets (net)	9	5,027	3,479
Other assets	10	166	86
Deferred tax assets	11A	2,954	2,368
Total non-current assets		144,437	124,260
Current assets			
Financial assets			
i. Investments	6B	50,352	35,039
ii. Trade receivables	12	33,880	28,090
iii. Cash and cash equivalents	13	5,764	4,596
iv. Bank balance other than cash and cash equivalents	14	79,055	93,912
v. Loans	7	8	10
vi. Other financial assets	8	15,348	13,563
Other assets	10	9,284	5,261
Total current assets		193,691	180,471
Total assets		338,128	304,731
Equity and liabilities			
Equity			
Equity share capital	15	3,005	3,001
Other equity	17	160,655	149,442
Total equity		163,660	152,443
Liabilities			
Non-current liabilities			
Financial liabilities			
i. Borrowings	19	28,128	33,537
ii. Lease liabilities	20	3,819	4,531
iii. Other financial liabilities	21	2,131	612
Provisions	22	7,096	4,614
Deferred tax liabilities	11B	1,069	1,375
Total non-current liabilities		42,243	44,669

Standalone Balance Sheet (Contd.)

(All amounts in ₹ lakhs, unless otherwise stated)

	Notes	As at March 31, 2026	As at March 31, 2025
Current liabilities			
Contract liabilities	23	1,984	1,342
Financial liabilities			
i. Borrowings	19	107,252	76,750
ii. Lease liabilities	20	2,878	2,821
iii. Trade payables	24		
(A) Total outstanding due of Micro enterprises and Small enterprises		520	186
(B) Total outstanding due of creditors other than Micro enterprises and Small enterprises.		7,289	7,854
iv. Other financial liabilities	21	6,964	13,139
Other current liabilities	25	2,310	2,728
Provisions	22	3,028	2,799
Total current liabilities		132,225	107,619
Total liabilities		174,468	152,288
Total equity and liabilities		338,128	304,731

The accompanying notes form an integral part of the Standalone Financial Statements.

As per our report of even date

for Deloitte Haskins & Sells

Chartered Accountants

ICAI Firm's Registration Number : 008072S

for and on behalf of the Board of Directors:

Happiest Minds Technologies Limited

CIN : L72900KA2011PLC057931

Vikas Bagaria

Partner

Membership no.: 060408

Place: Bengaluru, India

Date: May 28, 2026.

Ashok Soota

Chairman & Chief Mentor

DIN : 00145962

Place: Bengaluru, India

Date: May 28, 2026.

Joseph Vinod Anantharaju

Co-Chairman & CEO

DIN : 08859640

Place: Seattle, USA

Date: May 28, 2026

Venkatraman Narayanan

Managing Director

DIN : 01856347

Place: Bengaluru, India

Date: May 28, 2026.

Anand Balakrishnan

Chief Financial Officer

Place: Bengaluru, India

Date: May 28, 2026

Praveen Darshankar

Company Secretary

FCS No.: F6706

Place: Bengaluru, India

Date: May 28, 2026

STANDALONE STATEMENT OF PROFIT AND LOSS

FOR THE YEAR ENDED MARCH 31, 2026

(All amounts in ₹ lakhs, unless otherwise stated)

	Notes	For the year ended March 31, 2026	For the year ended March 31, 2025
Income			
Revenue from contract with customers	26	172,602	159,407
Other income	27	17,513	13,690
Total income		190,115	173,097
Expenses			
Employee benefits expense	28	119,254	108,937
Depreciation and amortisation	29	5,114	5,053
Finance costs	30	9,223	9,113
Other expenses	31	27,209	25,377
Impairment loss allowance on trade and unbilled receivables	31A	243	1,533
Total expenses		161,043	150,013
Profit before exceptional items and tax		29,072	23,084
Exceptional items; charge	32	2,041	2,344
Profit before tax		27,031	20,740
Tax expense	33		
Current tax		4,678	5,856
Deferred tax credit		(59)	(659)
		4,619	5,197
Profit for the year		22,412	15,543
Other comprehensive income			
Other comprehensive income to be reclassified to profit or loss in subsequent periods			
Net movement on effective portion of cash flow hedges	37(B)	(3,726)	(315)
Income tax effect	33	938	79
Net other comprehensive income to be reclassified to profit or loss in subsequent periods		(2,788)	(236)

Standalone Statement of Profit and Loss (Contd.)

(All amounts in ₹ lakhs, unless otherwise stated)

	Notes	For the year ended March 31, 2026	For the year ended March 31, 2025
Other comprehensive income not to be reclassified to profit or loss in subsequent periods			
Re-measurement losses on defined benefit plans	35	415	(493)
Income tax effect	33	(104)	124
Net other comprehensive income not to be reclassified to profit or loss in subsequent periods		311	(369)
Other comprehensive income for the year, net of tax		(2,477)	(605)
Total comprehensive income for the year		19,935	14,938
Earnings per equity share:	34		
Equity shares of par value ₹ 2/- each			
Basic, computed on the basis of profit for the year attributable to equity holders of the company (₹)		14.88	10.32
Diluted, computed on the basis of profit for the year attributable to equity holders of the company (₹)		14.87	10.32

The accompanying notes form an integral part of the Standalone Financial Statements.

As per our report of even date

for Deloitte Haskins & Sells

Chartered Accountants

ICAI Firm's Registration Number : 008072S

for and on behalf of the Board of Directors:

Happiest Minds Technologies Limited

CIN : L72900KA2011PLC057931

Vikas Bagaria

Partner

Membership no.: 060408

Place: Bengaluru, India

Date: May 28, 2026.

Ashok Soota

Chairman & Chief Mentor

DIN : 00145962

Place: Bengaluru, India

Date: May 28, 2026.

Joseph Vinod Anantharaju

Co-Chairman & CEO

DIN : 08859640

Place: Seattle, USA

Date: May 28, 2026

Venkatraman Narayanan

Managing Director

DIN : 01856347

Place: Bengaluru, India

Date: May 28, 2026.

Anand Balakrishnan

Chief Financial Officer

Place: Bengaluru, India

Date: May 28, 2026

Praveen Darshankar

Company Secretary

FCS No.: F6706

Place: Bengaluru, India

Date: May 28, 2026

STANDALONE STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED MARCH 31, 2026

(All amounts in ₹ lakhs, unless otherwise stated)

	For the year ended March 31, 2026	For the year ended March 31, 2025
Profit before tax	27,031	20,740
Adjustments to reconcile profit before tax to net cash flows:		
Depreciation/ amortisation of property, plant and equipment, intangibles and right-of-use assets	5,114	5,053
(Gain)/ loss on disposal of property, plant and equipment, net	(10)	(16)
Share-based payment expense	611	-
Gain on sale of investment carried at fair value through profit and loss	(405)	1
Fair value (gain)/loss on financial assets measured at fair value through profit or loss	(2,110)	(1,241)
(Gain)/loss on recognition/derecognition of contingent consideration	-	2,344
Interest income	(6,112)	(8,796)
Unrealised foreign exchange (gain)/ loss	471	104
Impairment loss on financial assets	243	1,533
Dividend income	(9,751)	(3,500)
Finance costs	9,223	9,113
Operating cash flow before working capital changes	24,305	25,335
Movements in working capital:		
Increase in trade receivables	(5,414)	(4,450)
Decrease in loans	3	26
Increase in non-financial assets	(4,103)	(867)
Increase in financial assets	(2,737)	(493)
(Decrease)/ Increase in trade payables	(231)	825
Decrease in financial liabilities	(176)	(257)
Increase in provisions	3,126	1,332
Increase /(Decrease)in contract liabilities	642	(79)
Decrease in other non-financial liabilities	(414)	(75)
	14,999	21,297
Income tax paid, net of refunds	(6,226)	(8,020)
Net cash flows from operating activities (A)	8,773	13,277
Investing activities		
Purchase of property, plant and equipment	(144)	(547)
Purchase of intangible assets	(344)	(351)
Proceeds from sale of property, plant and equipment	10	19
Maturities of / (Investment in) bank deposit, net	(5,123)	23,669
Acquisition of subsidiaries	(1,651)	(66,081)
Repayment of loan given to subsidiary	1,254	1,668
Loan given to subsidiary	-	(1,250)
Purchase of mutual funds	(31,302)	(37,549)
Proceeds from sale of mutual funds	18,504	3,751
Interest received	6,687	8,729
Dividend from Subsidiaries	9,751	3,500
Net cash flows from/ (used) in investing activities (B)	(2,358)	(64,442)

Standalone Statement of Cash Flow (Contd.)

(All amounts in ₹ lakhs, unless otherwise stated)

	For the year ended March 31, 2026	For the year ended March 31, 2025
Financing activities		
Repayment of long-term borrowings	(999)	(969)
Proceeds from long-term borrowings	830	24,061
(Repayments)/ Proceeds from short-term borrowings (net)	23,452	47,444
Repayment of redeemable non-convertible debentures	-	(4,500)
Proceeds of Loan from subsidiary	23,750	3,500
Repayment of Loan from subsidiary	(22,400)	(3,150)
Payment of principal portion of lease liabilities	(2,993)	(2,830)
Payment of interest portion of lease liabilities	(605)	(670)
Dividend paid	(9,391)	(8,588)
Proceeds from exercise of share options	56	183
Payment of contingent consideration	(8,965)	(1,400)
Interest paid	(8,064)	(8,057)
Net cash flows from/ (used) in financing activities (C)	(5,329)	45,024
Net Increase/ (decrease) in cash and cash equivalents [(A)+(B)+(C)]	1,086	(6,142)
Net foreign exchange difference	82	(3)
Cash and cash equivalents at the beginning of the year	4,596	11,314
Less : Bank overdraft at the beginning of the year	-	(573)
Cash and cash equivalents at the end of the year	5,764	4,597
Components of cash and cash equivalents		
Balance with banks		
- on current account	4,463	4,166
- in EEFC accounts	1,300	430
Deposits with original maturity of less than three months	1	1
Total cash and cash equivalents	5,764	4,597
Refer note 19 and 20 for changes in borrowings and lease liabilities arising from non-cash financing activities		

The accompanying notes form an integral part of the Standalone Financial Statements.

As per our report of even date

for Deloitte Haskins & Sells

Chartered Accountants

ICAI Firm's Registration Number : 008072S

for and on behalf of the Board of Directors:

Happiest Minds Technologies Limited

CIN : L72900KA2011PLC057931

Vikas Bagaria

Partner

Membership no.: 060408

Place: Bengaluru, India

Date: May 28, 2026.

Ashok Soota

Chairman & Chief Mentor

DIN : 00145962

Place: Bengaluru, India

Date: May 28, 2026.

Joseph Vinod Anantharaju

Co-Chairman & CEO

DIN : 08859640

Place: Seattle, USA

Date: May 28, 2026

Venkatraman Narayanan

Managing Director

DIN : 01856347

Place: Bengaluru, India

Date: May 28, 2026.

Anand Balakrishnan

Chief Financial Officer

Place: Bengaluru, India

Date: May 28, 2026

Praveen Darshankar

Company Secretary

FCS No.: F6706

Place: Bengaluru, India

Date: May 28, 2026

STANDALONE STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED MARCH 31, 2026

(All amounts in ₹ lakhs, unless otherwise stated)

a) Equity share capital

For the year ended March 31, 2026	No of Shares	Amount
Equity shares of ₹ 2 each issued, subscribed and fully paid		
At April 1, 2025	150,046,867	3,001
Issue of shares	-	-
Exercise of share options - refer note 15 (ii) (1)	215,069	4
As at March 31, 2026	150,261,936	3,005
For the year ended March 31, 2025	No of Shares	Amount
Equity shares of ₹ 2 each issued, subscribed and fully paid		
At April 1, 2024	149,354,426	2,987
Issue of shares	-	-
Exercise of share options - refer note 15 (ii) (1)	692,441	14
As at March 31, 2025	150,046,867	3,001

b) Other equity

For the year ended March 31, 2026	Reserves and Surplus			Cash flow hedge reserve (Note 17)	Total equity
	Securities premium (Note 17)	Share options outstanding reserve (Note 17)	Retained earnings (Note 17)		
As at April 1, 2025	90,580	68	59,059	(264)	149,442
Profit for the year	-	-	22,412	-	22,412
Other comprehensive income	-	-	311	(2,788)	(2,477)
Total comprehensive income	-	-	22,723	(2,788)	19,935
Issue of equity shares on exercise of options	52	-	-	-	52
Transferred to securities premium for options exercised	29	(29)	-	-	-
Dividend - refer note 18	-	-	(9,386)	-	(9,386)
Share-based payments expense - refer note 42	-	611	-	-	611
As at March 31, 2026	90,661	650	72,396	(3,052)	160,655

Standalone Statement of Changes in Equity (Contd.)

(All amounts in ₹ lakhs, unless otherwise stated)

For the year ended March 31, 2025	Reserves and Surplus			Cash flow hedge reserve (Note 17)	Total equity
	Securities premium (Note 17)	Share options outstanding reserve (Note 17)	Retained earnings (Note 17)		
As at April 1, 2024	90,318	163	53,930	(28)	144,383
Effect of Merger - refer note.43	-	-	(1,439)	-	(1,439)
As at April 1, 2024 (after effect of Merger)	90,318	163	52,491	(28)	142,943
Profit for the year	-	-	15,543	-	15,543
Other comprehensive income	-	-	(369)	(236)	(605)
Total comprehensive income	-	-	15,174	(236)	14,938
Issue of equity shares on exercise of options	168	-	-	-	168
Transferred to retained earnings for options forfeited	-	(1)	1	-	-
Transferred to securities premium for options exercised	94	(94)	-	-	-
Dividend - refer note 18	-	-	(8,608)	-	(8,608)
As at March 31, 2025	90,580	68	59,058	(264)	149,442

The accompanying notes form an integral part of the Standalone Financial Statements.

As per our report of even date

for Deloitte Haskins & Sells

Chartered Accountants

ICAI Firm's Registration Number : 008072S

for and on behalf of the Board of Directors:

Happiest Minds Technologies Limited

CIN : L72900KA2011PLC057931

Vikas Bagaria

Partner

Membership no.: 060408

Place: Bengaluru, India

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Venkatraman Narayanan

Managing Director

DIN : 01856347

Place: Bengaluru, India

Date: May 28, 2026.

Anand Balakrishnan

Chief Financial Officer

Place: Bengaluru, India

Date: May 28, 2026

Praveen Darshankar

Company Secretary

FCS No.: F6706

Place: Bengaluru, India

Date: May 28, 2026

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2026

(All amounts in ₹ lakhs, unless otherwise stated)

Corporate Information

Happiest Minds Technologies Limited ("the Company") is engaged in next generation IT solutions & services Company, enabling organizations to capture the business benefits of emerging technologies of cloud computing, social media, mobility solutions, business intelligence, analytics, unified communications and internet of things. The Company offers high degree of skills, IPs and domain expertise across a set of focused areas that include Digital Transformation & Enterprise Solutions, Product Engineering, Infrastructure Management, Security, Testing and Consulting. The Company focuses on industries in the Retail/Consumer Product Goods(CPG), Banking, Financial Services and Insurance (BFSI), Travel & Transportation, Manufacturing and Media space. Happiest Minds Provide a Smart, Secure and Connected Experience to its Customers. In the Solution space, focus areas are Security, M2M and Mobility solutions.

The Company is a limited company, incorporated and domiciled in India and has a branch office at United States of America, United Kingdom, Australia, Canada, Netherland, Singapore, Malaysia and Dubai. The registered office of the Company is situated at #53/1-4, Hosur Main Road, Madivala Bengaluru 560068.

During the year, Sri Mookambika Infosolutions Private Limited ('SMI') and Happiest Minds Edutech Private Limited were amalgamated with the Company pursuant to the Scheme of Amalgamation approved on September 25, 2025 and September 22, 2025 respectively. The impact of the amalgamation on the Company's financial statements is disclosed in note 43.

The Company's Standalone Financial Statements for the year ended March 31, 2026 were approved by Board of Directors on May 28, 2026.

1 Basis of preparation of Standalone Financial Statements

(a) Statement of Compliance

The Standalone Financial Statements (SFS) of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and presentation requirements of Division II of Schedule III to the Companies Act, 2013, (Ind AS compliant Schedule III), as applicable to the SFS.

This note provides a list of the material accounting policies adopted in the preparation of the Standalone Financial Statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

These Standalone Financial Statements have been prepared for the Company as a going concern on the basis of relevant Ind AS that are effective at the Company's annual reporting date, March 31, 2026.

The Standalone Financial Statements have been prepared on an accrual basis under the historical cost convention except for the following that are measured at fair value as required by relevant Ind AS:

- Defined benefit plan - plan assets measured at fair value
- Certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments)
- Derivative financial instruments
- Contingent consideration

(b) Functional currency and presentation currency

These Standalone Financial Statements are presented in India Rupee (₹), which is also functional currency of the Company. All the values are rounded off to the nearest lakhs (₹ 00,000) unless otherwise indicated.

(c) Use of estimates and judgements

In preparing these Standalone Financial Statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, the disclosures of contingent assets and liabilities at the date of the financial Statements and reported amounts of income and expenses during the period. Actual results may differ from these estimates.

Notes to the Standalone Financial Statements for the year ended March 31, 2026

(All amounts in ₹ lakhs, unless otherwise stated)

Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding estimate. Changes in estimate are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the Standalone Financial Statements.

Judgements:

Information about judgements made in applying accounting policies that have the most material effects on the amounts recognised in the Standalone Financial Statements is included in the following notes:

- Note 2 (c) and Note 2 (d)- Useful life of property, plant and equipment and intangible assets;
- Note 2 (g) - Lease classification;
- Note 2(i) - Financial instrument; and
- Note 2 (m) - Measurement of defined benefit obligations: key actuarial assumptions.

Assumption and estimation uncertainties

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment in the year ended March 31, 2026 is included in the following notes:

- Note 2 (e) - Impairment test of non-financial assets; key assumptions underlying recoverable amounts including the recoverability of expenditure on internally-generated intangible assets;
- Note 2 (p) - Recognition of deferred tax assets: availability of future taxable profit against which tax losses carried forward can be used;
- Note 2 (i) - Impairment of financial assets
- Note 2 (r) - Recognition and measurement of provisions and contingencies: key assumptions about the likelihood and magnitude of an outflow of resources;

(d) Current and non-current classification

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification.

An asset is treated as current when it is:

- Expected to be realized or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realized within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is treated as current when:

- It is expected to be settled in normal operating cycle,
- It is held primarily for the purpose of trading,
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

Notes to the Standalone Financial Statements for the year ended March 31, 2026

(All amounts in ₹ lakhs, unless otherwise stated)

All other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

2 Material accounting policies

The accounting policies set out below have been applied consistently to the periods presented in these Standalone Financial Statements.

(a) Revenue recognition

The Company derives revenue primarily from rendering of services and sale of licenses. Revenue is recognized upon transfer of control of promised products or services to customers in an amount that reflects the consideration the Company expects to receive in exchange for those products or services. The Company is principal in rendering of services and agent in relation to sale of licenses. Amounts disclosed as revenue are net of trade allowances, rebates and Goods and Services tax (GST), amounts collected on behalf of third parties and include reimbursement of out-of-pocket expenses, with corresponding expenses included in cost of revenues.

Revenue from the rendering of services and sale of license is recognized when the Company satisfies its performance obligations to its customers as below:

Revenue from rendering of services

The Company applies judgement to determine whether each product or service promised to a customer is capable of being distinct, and is distinct in the context of the contract, if not, the promised product or service is combined and accounted as a single performance obligation. In determining the transaction price for rendering of services, the Company considers the effect of variable consideration, existence of a significant financing component, non-cash consideration, and consideration payable to the customers if any. Revenue is recognized as net of trade and cash discounts. The Company allocates the arrangement consideration to separately identifiable performance obligation deliverables based on their relative stand-alone selling price. In cases where the Company is unable to determine the stand-alone selling price, the Company uses the expected cost-plus margin approach in estimating the stand-alone selling price. Volume discounts are recorded as a reduction of revenue. When the amount of discount varies with the levels of revenue, volume discount is recorded based on estimate of future revenue from the customer.

Revenues from services comprise primarily income from time-and-material and fixed price contracts. Revenue with respect to time-and-material contracts is recognized over the period of time as the related services are performed. Revenue with respect to fixed price contracts where performance obligation is transferred over time are recognized using the percentage of completion method. The Company uses the percentage of completion method using the input (cost expended) method to measure progress towards completion in respect of fixed price contracts. Percentage of completion method accounting relies on estimates of total expected contract revenue and costs. This method is followed when reasonably dependable estimates of the revenues and costs applicable to various elements of the contract can be made. Key factors that are reviewed in estimating the future costs to complete include estimates of future labour costs and productivity efficiencies. Because the financial reporting of these contracts depends on estimates that are assessed continually during the term of these contracts, revenue recognized, profit and timing of revenue for remaining performance obligations are subject to revisions as the contract progresses to completion. When estimates indicate that a loss will be incurred, the loss is provided for in the period in which the loss becomes probable. Provisions for estimated losses on contracts-in-progress are recorded in the period in which such losses become probable based on the current contract estimates.

Trade receivables

A receivable is recognized if an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due). Refer to accounting policies of financial assets.

Notes to the Standalone Financial Statements for the year ended March 31, 2026

(All amounts in ₹ lakhs, unless otherwise stated)

Variable consideration

If the consideration in a contract includes a variable amount, the Company estimates the amount of consideration to which it will be entitled in exchange for transferring the goods to the customer. The variable consideration is estimated at contract inception and constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognized will not occur when the associated uncertainty with the variable consideration is subsequently resolved.

Revenue from license

Revenue for supply of third party products, services or licenses are recorded at gross or net basis depending on whether the Company is acting as the principal or as an agent of the customer. The Group recognizes revenue in the gross amount of consideration when it is acting as a principal and at net amount of consideration when it is acting as an agent.

Where the Company is a reseller for sale of right to use licenses and acting as agent in the arrangement, the revenue for sale of right to use license is recognised on a net basis. In case, where the licenses are required to be substantially customized as part of implementation service, the entire arrangement fee is considered as single performance obligation and revenue is recognized as per input method.

Where the Company acts as principal, revenue from sale of licenses, where the customer obtains a “right to use” the licenses is recognized at the point in time when the related license is made available to the customer. Revenue from licenses where the customer obtains a “right to access” is recognized over the access period and is included in Revenue from Services.

Contract balances

Contract assets: The Company classifies its right to consideration in exchange for deliverables as either a receivable or as unbilled revenue. A receivable is a right to consideration that is unconditional upon passage of time. Revenues in excess of billings is recorded as unbilled revenue and is classified as a financial asset where the right to consideration is unconditional upon passage of time. Unbilled revenue which is conditional is classified as other current assets. Trade receivables and unbilled revenue is presented net of impairment.

Contract liabilities: A contract liability (which we referred to as Unearned Revenue) is the obligation to transfer goods or services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Company transfers goods or services to the customer, a contract liability is recognized when the payment is received.

Interest income

Interest income is recognized when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principle outstanding and at the effective interest rate applicable, which is the rate that discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition. Interest income is included under the head ‘other income’ in the Statements of profit and loss.

For all financial instruments measured at amortized cost, interest income is recorded using the effective interest rate, which is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial asset. Interest income is included in other income in the Statements of profit and loss.

Dividend income

Dividend income on investments is accounted for when the right to receive the dividend is established, which is generally when shareholders approve the dividend. Dividend income is included under the head ‘Other income’ in the Statements of profit and loss.

Notes to the Standalone Financial Statements for the year ended March 31, 2026

(All amounts in ₹ lakhs, unless otherwise stated)

(b) Business Combination

The Company accounts for its business combinations under acquisition method of accounting. The cost of an acquisition is measured as the aggregate of the consideration transferred measured at acquisition date fair value. Acquisition-related costs are expensed as incurred and included in other expenses.

At the acquisition date, the identifiable assets acquired, and the liabilities assumed are recognized at their acquisition date fair values. For this purpose, the liabilities assumed include contingent liabilities representing present obligation and they are measured at their acquisition fair values irrespective of the fact that outflow of resources embodying economic benefits is not probable.

However, the following assets and liabilities acquired in a business combination are measured at the basis indicated below:

- Deferred tax assets or liabilities, and the assets or liabilities related to employee benefit arrangements are recognized and measured in accordance with Ind AS 12 Income Tax and Ind AS 19 Employee Benefits respectively.
- Liabilities or equity instruments related to share-based payment arrangements of the acquiree or share – based payments arrangements of the Company entered into to replace share-based payment arrangements of the acquiree are measured in accordance with Ind AS 102 Share-based Payments at the acquisition date.
- Assets (or disposal Company's) that are classified as held for sale in accordance with Ind AS 105 Non-current Assets Held for Sale and Discontinued Operations are measured in accordance with that standard.
- Reacquired rights are measured at a value determined based on the remaining contractual term of the related contract. Such valuation does not consider potential renewal of the reacquired right.

When the Company acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date. This includes the separation of embedded derivatives in host contracts by the acquiree.

Any contingent consideration to be transferred by the acquirer is recognized at fair value at the acquisition date. Contingent consideration classified as an asset or liability that is a financial instrument and within the scope of Ind AS - 109 Financial Instruments, is measured at fair value with changes in fair value recognized in profit and loss in accordance with Ind AS - 109. If the contingent consideration is not within the scope of Ind AS - 109, it is measured in accordance with the appropriate Ind AS and shall be recognized in the Statement of Profit and Loss. Contingent consideration that is classified as equity is not re-measured at subsequent reporting dates and subsequent its settlement is accounted for within equity.

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and any previous interest held, over the net identifiable assets acquired and liabilities assumed. If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Company re-assesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognized at the acquisition date. If the reassessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognized in other comprehensive income (OCI) and accumulated in equity as capital reserve. However, if there is no clear evidence of bargain purchase, the entity recognizes the gain directly in equity as capital reserve, without routing the same through OCI.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Company's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

Notes to the Standalone Financial Statements for the year ended March 31, 2026

(All amounts in ₹ lakhs, unless otherwise stated)

Business combinations involving entities or businesses under common control

Business combinations involving entities or businesses under common control are accounted for in accordance with Appendix C of Ind AS 103 – Business Combinations, using the pooling of interests method, with the following accounting treatment:

- The assets and liabilities of the combining entities are recognised at their existing carrying amounts as appearing in the financial statements of the combining entities.
- No adjustments are made to reflect fair values or to recognise any new assets or liabilities.
- The financial information in the financial statements of the Company is restated as if the business combination had occurred from the beginning of the preceding period presented or the date of common control, whichever is later.
- The identity of the reserves is preserved and the balances of the retained earnings of the combining entities are aggregated.
- No goodwill or capital reserve is recognised on such business combinations.

(c) Property, plant and equipment

Capital work in progress is stated at cost, net of accumulated impairment loss if any.

Property, plant and equipment are stated at historical cost less accumulated depreciation, and accumulated impairment loss, if any. Historical cost comprises of the purchase price including duties and non-refundable taxes, borrowing cost if capitalization criteria are met, directly attributable expenses incurred to bring the asset to the location and condition necessary for it to be capable of being operated in the manner intended by management and initial estimate of decommissioning, restoring and similar liabilities.

Subsequent costs related to an item of property, plant and equipment are recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognized when replaced. All other repairs and maintenance are recognized in the Statement of Profit and Loss during the reporting period when they are incurred.

An item of property, plant and equipment is derecognized on disposal or when no future economic benefits are expected from its use or disposal. The gains or losses arising from derecognition are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the Statement of Profit and Loss when the asset is derecognized.

Property, plant and equipment individually costing ₹ 5,000 or less are depreciated at 100% in the year in which such assets are ready to use.

Depreciation is calculated using the straight-line method over their estimated useful lives as follows:

The estimates of useful lives of tangible assets are as follows:

Class of asset	Useful life as per schedule II	Useful life as per Company
Furniture and fixtures	10 years	5 years
Office equipment (including solar panels)	5 years - 15 years	4 years-15 years
Buildings	60 years	50 years
Computer systems	6 years for servers 3 years for other than servers	2.5-3 years

Notes to the Standalone Financial Statements for the year ended March 31, 2026

(All amounts in ₹ lakhs, unless otherwise stated)

Leasehold improvements are amortised over the period of the lease or life of the asset whichever is less.

The useful lives have been determined based on technical evaluation done by the management's expert which in certain instances are different from those specified by Schedule II to the Companies Act, 2013, in order to reflect the actual usage of the assets. The assets residual values and useful life are reviewed, and adjusted if appropriate, at the end of each reporting period. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

(d) Intangible assets

Goodwill

Goodwill on acquisitions of business is included in intangible assets. Goodwill is not amortised but it is tested for impairment annually, or more frequently if events or changes in circumstances indicate that it might be impaired, and is carried at cost less accumulated impairment losses. Gains and losses on the disposal of a business include the carrying amount of goodwill relating to the business sold.

Goodwill is allocated to cash-generating units for the purpose of impairment testing. The allocation is made to those cash-generating units or Company of cash-generating units that are expected to benefit from the business combination in which the goodwill arose. The units or Company of units are identified at the lowest level at which goodwill is monitored for internal management purposes.

Other intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses.

An item of intangible asset is derecognised on disposal or when no future economic benefits are expected from its use or disposal. The gains or losses arising from derecognition are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Statement of Profit and Loss when the asset is derecognised.

Amortisation methods and periods

The Company amortises intangible assets with a finite useful life using the straight-line method over the following periods:

Asset	Life in Years
Computer software	2.5-3 years

The estimated useful life of the intangible assets and the amortisation period are reviewed at the end of the each financial year and the amortisation period is revised to reflect the changed pattern, if any.

Research costs are expensed as incurred. Development expenditures on an individual project are recognised as an intangible asset when the company can demonstrate:

- The technical feasibility of completing the intangible asset so that the asset will be available for use or sale
- Its intention to complete and its ability and intention to use or sell the asset
- How the asset will generate future economic benefits
- The availability of resources to complete the asset
- The ability to measure reliably the expenditure during development

Subsequent costs related to intangible assets are recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably.

Notes to the Standalone Financial Statements for the year ended March 31, 2026

(All amounts in ₹ lakhs, unless otherwise stated)

(e) Impairment of non-financial assets

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

The Company bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Company's cash generating unit's (CGU's) to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth year. To estimate cash flow projections beyond periods covered by the most recent budgets/forecasts, the Company extrapolates cash flow projections in the budget using a steady or declining growth rate for subsequent years, unless an increasing rate can be justified. In any case, this growth rate does not exceed the long-term average growth rate for the products, industries, or country or countries in which the Company operates, or for the market in which the asset is used.

Impairment losses of continuing operations, including impairment on inventories, are recognised in the Statement of Profit and Loss, except for properties previously revalued with the revaluation surplus taken to other comprehensive income (OCI). For such properties, the impairment is recognised in OCI up to the amount of any previous revaluation surplus.

For assets excluding goodwill, an assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Company estimates the asset's or cash generating unit's (CGU's) recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the Statement of Profit and Loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

Goodwill is tested for impairment annually and when circumstances indicate that the carrying value may be impaired.

Impairment is determined for goodwill by assessing the recoverable amount of each cash generating unit (CGU) (or group of CGUs) to which the goodwill relates. When the recoverable amount of the CGU is less than its carrying amount, an impairment loss is recognised. Impairment losses relating to goodwill cannot be reversed in future periods.

(f) Borrowing cost

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

Notes to the Standalone Financial Statements for the year ended March 31, 2026

(All amounts in ₹ lakhs, unless otherwise stated)

(g) Leases

The Company has lease contracts for various items of computers, vehicles and buildings used in its operations. Lease terms generally ranges between 1 and 5 years.

The Company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Company as lessee

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

Right-of-use assets

The Company recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

If ownership of the leased asset transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

The right-of-use assets are also subject to impairment. Refer to the accounting policies in note 2(e) for policy on impairment of non-financial assets.

Lease liabilities

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Company exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset."

Short-term leases and leases of low-value assets

The Company applies the short-term lease recognition exemption to its short-term leases of machinery and equipment (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

Notes to the Standalone Financial Statements for the year ended March 31, 2026

(All amounts in ₹ lakhs, unless otherwise stated)

Lease and non-lease component

As per Ind AS - 116, "As a practical expedient, a lessee may elect, by class of underlying asset, not to separate non-lease components from lease components, and instead account for each lease component and any associated non-lease components as a single lease component.

The company have not opted for this practical expedient and have accounted for Lease component only.

Extension and termination option

The Company has several lease contracts that include extension and termination options. These options are negotiated by management to provide flexibility in managing the leased-asset portfolio and align with the Company's business needs. Management exercises significant judgement in determining whether these extension and termination options are reasonably certain to be exercised. Management have not considered any future cash outflow for which they are potentially exposed arising due to extension and termination options.

(h) Investment in subsidiary

The Company recognizes its investments in subsidiary and associate companies at cost less accumulated impairment loss, if any. Cost represents amount paid for acquisition of the said investments. The details of such investment is given in note 6. Refer to the accounting policies in note 2(e) for policy on impairment of non-financial asset.

On disposal of an investment, the difference between the net disposal proceeds and the carrying amount is charged or credited to the Statement of Profit and Loss.

(i) Financial Instruments

Financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Non-derivative financial instruments :

a) Financial assets

Initial recognition and measurement

Financial assets are classified, at initial recognition, as subsequently measured at amortised cost, fair value through other comprehensive income (OCI), and fair value through profit or loss.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Company's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Company has applied the practical expedient, the Company initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs. Trade receivables that do not contain a significant financing component or for which the Company has applied the practical expedient are measured at the transaction price determined under Ind AS - 115.

In order for a financial asset to be classified and measured at amortised cost or fair value through other comprehensive income (OCI), it needs to give rise to cash flows that are 'solely payments of principle and interest (SPPI)' on the principle amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level. Financial assets with cash flows that are not SPPI are classified and measured at fair value through profit or loss, irrespective of the business model.

The Company's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both. Financial assets classified and measured at amortised cost are held within a business model with the objective to hold financial assets in order to collect contractual cash flows while financial assets classified and measured at fair value through other comprehensive income are held within a business model with the objective of both holding to collect contractual cash flows and selling.

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(All amounts in ₹ lakhs, unless otherwise stated)

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

- Debt instruments at amortised cost
- Debt instruments at Fair Value Through Other Comprehensive income (FVTOCI)
- Debt instruments, derivatives and equity instruments at Fair Value Through Profit and Loss (FVTPL)
- Equity instruments measured at Fair Value Through Other Comprehensive Income (FVTOCI)

Debt instruments at amortised cost:

A 'Debt instrument' is measured at the amortised cost if both the following conditions are met:

- a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principle and interest (SPPI) on the principle amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the Effective Interest Rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in other income in the Statement of Profit and Loss. The losses arising from impairment are recognised in the Statement of Profit and Loss. This category generally applies to trade and other receivables. For more information on receivables, refer to Note 13.

Debt instrument at Fair Value Through Other Comprehensive income (FVTOCI)

A 'Debt instrument' is classified as at the Fair Value Through Other Comprehensive income (FVTOCI) if both of the following criteria are met:

- a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
- b) The asset's contractual cash flows represent 'solely payments of principle and interest (SPPI)'.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognised in the other comprehensive income (OCI). However, the Company recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the Statement of Profit and Loss. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to Statement of Profit and Loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the Effective Interest Rate (EIR) method.

Debt instrument at Fair Value Through Profit and Loss (FVTPL)

Fair Value Through Profit and Loss (FVTPL) is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as Fair Value Through Other Comprehensive income (FVTOCI), is classified as at FVTPL.

Notes to the Standalone Financial Statements for the year ended March 31, 2026

(All amounts in ₹ lakhs, unless otherwise stated)

In addition, the Company may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). The Company has not designated any debt instrument as at FVTPL.

Debt instruments included within the FVTPL category are measured at fair value with all changes recognised in the Statement of Profit and Loss.

Equity investments:

All equity investments in scope of Ind AS - 109 are measured at fair value. Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business combination to which Ind AS - 103 applies are classified as at Fair Value Through Profit and Loss (FVTPL). For all other equity instruments, the Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Company decides to classify an equity instrument as at Fair Value Through Other Comprehensive income (FVTOCI), then all fair value changes on the instrument, excluding dividends, are recognised in the Other Comprehensive income (OCI). There is no recycling of the amounts from OCI to Statement of Profit and Loss, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognised in the Statement of Profit and Loss.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a Company of similar financial assets) is primarily derecognised (i.e. removed from the Company's balance sheet) when:

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Reclassification of financial assets

The Company determines classification of financial assets on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The Company's senior management determines change in the business model as a result of external or internal changes which are significant to the Company's operations. Such changes are evident to external parties. A change in the business model occurs when the Company either begins or ceases to perform an activity that is significant to its operations. If the Company reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Company does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

Notes to the Standalone Financial Statements for the year ended March 31, 2026

(All amounts in ₹ lakhs, unless otherwise stated)

Impairment of financial assets

In accordance with Ind AS - 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

- Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, deposits, trade receivables, unbilled revenue and bank balance
- Trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS - 115.

The Company follows 'simplified approach' for recognition of impairment loss allowance on:

- Trade receivables, unbilled revenue and contract assets

The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

The Company recognises an allowance for expected credit losses (ECLs) for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the company expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL."

b) Financial Liabilities :

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, or as payables, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts. The subsequent measurement of financial liabilities depends on their classification, which is described below.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at fair value through profit and loss (FVTPL)

Financial liabilities at fair value through profit and loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at Fair Value Through Profit or Loss (FVTPL). Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind AS - 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Notes to the Standalone Financial Statements for the year ended March 31, 2026

(All amounts in ₹ lakhs, unless otherwise stated)

Gains or losses on liabilities held for trading are recognised in the Statement of Profit and Loss.

Financial liabilities designated upon initial recognition at fair value through profit and loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains or losses attributable to changes in own credit risk are recognised in other comprehensive income (OCI). These gains/ loss are not subsequently transferred to profit and loss. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the Statement of Profit and Loss. The Company has not designated any financial liability as at fair value through profit or loss."

c) Loans and Borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the effective interest rate (EIR) method. Gains or losses are recognised in the Statement of Profit and Loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the Statement of Profit and Loss.

This category generally applies to borrowings. For more information refer note 19."

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the Statement of Profit and Loss.

d) Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount presented in the balance sheet when, and only when, the Company current has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realize the asset and settle the liability simultaneously.

Derivative financial instruments

The Company uses derivative financial instruments, such as forward currency contracts and interest rate swaps to hedge its foreign currency risks and interest rate risks, respectively. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Any gains or losses arising from changes in the fair value of derivatives are taken directly to profit or loss, except for the effective portion of cash flow hedges, which is recognised in other comprehensive income (OCI) and later reclassified to Statement of Profit and Loss when the hedge item affects profit or loss or treated as basis adjustment if a hedged forecast transaction subsequently results in the recognition of a non-financial asset or non-financial liability.

Cash flow hedge

The Company designates certain foreign exchange forward and cross currency interest rate swaps as cash flow hedges with an intention to hedge its existing liabilities and highly probable transaction in foreign currency. When a derivative is designated as a cash flow hedge instrument, the effective portion of changes in the fair value of the derivative is recognised in other comprehensive income and accumulated in the cash flow hedge reserve. Any ineffective portion of changes in the fair value of the derivative is recognised immediately in the Statement of Profit and Loss. If the hedging instrument no longer meets the criteria for hedge accounting, then hedge accounting is discontinued prospectively. If the hedging instrument expires or is sold, terminated or exercised, the cumulative gain or loss on the hedging instrument recognised in cash flow hedge reserve till the period the hedge

Notes to the Standalone Financial Statements for the year ended March 31, 2026

(All amounts in ₹ lakhs, unless otherwise stated)

was effective remains in cash flow hedge reserve until the forecasted transaction occurs. The cumulative gain or loss previously recognised in the cash flow hedge reserve is transferred to the net profit in the Statement of Profit and Loss upon the occurrence of the related forecasted transaction. If the forecasted transaction is no longer expected to occur, then the amount accumulated in cash flow hedge reserve is reclassified to the Statement of Profit and Loss.

Fair value hedge

The Company designates interest rate swap contracts as fair value hedge to hedge the exposure to changes in the fair value of its borrowings attributable to interest rate risk.

The change in the fair value of the hedging instrument are recognised immediately in the Statement of Profit and Loss. The change in the fair value of the hedged item attributable to the hedged risk is also recognised in the Statement of Profit and Loss, with a corresponding adjustment to the carrying amount of the hedged item.

(j) Fair value measurement

‘Fair value’ is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date in the principle or, in its absence, the most advantageous market to which the Company has access at that date. The fair value of a liability reflects its non-performance risk. All assets and liabilities for which fair value is measured or disclosed in the Standalone Financial Statement are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

(k) Cash and cash equivalents

Cash and cash equivalents in the balance sheet and cash flow statement comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the Standalone Statement of Cash Flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

(l) Foreign currency translation

(i) Functional and presentation currency:

Items included in the Standalone Financial Statements of the company are measured using the currency of the primary economic environment in which the entity operates (the functional currency). The financial statements are presented in Indian rupee (₹), which is functional and presentation currency of the Company.

ii) Transactions and balances:

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are recognised in Statement of Profit and Loss.

Notes to the Standalone Financial Statements for the year ended March 31, 2026

(All amounts in ₹ lakhs, unless otherwise stated)

(m) Employee Benefits

Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employee's services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current financial liabilities in the balance sheet.

Accumulated leave, which is expected to be utilized within the next 12 months, is treated as short-term employee benefit. The Company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

Other long-term employee benefit obligations

The liabilities for leave balance are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields on government bonds at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in Statement of Profit and Loss.

The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

Post-employment obligations

The company operates the following post-employment schemes:

- (a) defined benefit plans - gratuity, and
- (b) defined contribution plans such as provident fund.

Gratuity obligations

The liability or asset recognised in the balance sheet in respect of defined benefit gratuity plan is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by an independent actuary using the projected unit credit method.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have term approximating the term of the related obligation. The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the Statement of Changes in Equity and in the balance sheet. Such accumulated re-measurement balances are never reclassified into the Statement of Profit and Loss subsequently.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit and loss as past service costs.

Defined contribution plan

Retirement benefit in the form of provident fund scheme, Social security, National Insurance, Superannuation, Medicare schemes are the defined contribution plans. The Company has no obligation, other than the contribution payable. The Company recognizes contribution payable to these schemes as an expenditure, when an employee renders the related service.

Notes to the Standalone Financial Statements for the year ended March 31, 2026

(All amounts in ₹ lakhs, unless otherwise stated)

(n) Employee share based payments

Certain employees of the Company receive remuneration in the form of share-based payments, whereby employees render services as consideration for equity instruments.

Equity-settled transactions:

The cost of equity-settled transactions is determined by the fair value at the date when the grant is made using a black Scholes model except for the option on date of modification of plan from cash settled to equity settled transaction (refer modification of plan).

That cost is recognised, together with a corresponding increase in employees stock option reserves in equity, over the period in which the performance and/or service conditions are fulfilled in employee benefits expense. The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Company's best estimate of the number of equity instruments that will ultimately vest. The expense or credit in the Statement of Profit and Loss for a period represents the movement in cumulative expense recognised as at the beginning and end of that period and is recognised in employee benefits expense.

Service and non-market performance conditions are not taken into account when determining the grant date fair value of awards, but the likelihood of the conditions being met is assessed as part of the Company's best estimate of the number of equity instruments that will ultimately vest. Market performance conditions are reflected within the grant date fair value. Any other conditions attached to an award, but without an associated service requirement, are considered to be non-vesting conditions. Non-vesting conditions are reflected in the fair value of an award and lead to an immediate expensing of an award unless there are also service and/or performance conditions.

No expense is recognised for awards that do not ultimately vest because non-market performance and/or service conditions have not been met. Where awards include a market or non-vesting condition, the transactions are treated as vested irrespective of whether the market or non-vesting condition is satisfied, provided that all other performance and/or service conditions are satisfied.

The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

(o) Exceptional items

Exceptional items are income or expenses that arise from events or transactions that are clearly distinct from the ordinary activities of the Company and, therefore, are not expected to recur frequently or regularly. In accordance with the requirements of Guidance Note on Schedule III to the Companies Act 2013, exceptional items are disclosed on the face of the Statement of Profit and Loss and details of the individual items are disclosed in the Notes.

(p) Taxation

Income tax comprises of current tax and deferred tax. It is recognised in the Statement of Profit and Loss except to the extent that it relates to an item recognised directly in the other comprehensive income.

Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the countries where the Company operates and generates taxable income.

Current income tax relating to items recognised outside the Statement of Profit and Loss is recognised outside profit and loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in other comprehensive income (OCI) or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Notes to the Standalone Financial Statements for the year ended March 31, 2026

(All amounts in ₹ lakhs, unless otherwise stated)

In the situations where Company is entitled to a tax holiday under the Income-tax Act, 1961 enacted in India or tax laws prevailing in the respective tax jurisdictions where they operate, no deferred tax (asset or liability) is recognised in respect of temporary differences which reverse during the tax holiday period, to the extent the concerned entity's gross total income is subject to the deduction during the tax holiday period. Deferred tax in respect of temporary differences which reverse after the tax holiday period is recognised in the year in which the temporary differences originate. However, the Company restricts recognition of deferred tax assets to the extent it is probable that sufficient future taxable income will be available against which such deferred tax assets can be realized. For recognition of deferred taxes, the temporary differences which originate first are considered to reverse first.

Current tax assets and current tax liabilities are offset when there is a legally enforceable right to set off the recognised amounts, and there is an intention to settle the asset and the liability on a net basis.

Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.
- In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except:

- When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss
- In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised, or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Tax benefits acquired as part of a business combination, but not satisfying the criteria for separate recognition at that date, are recognised subsequently if new information about facts and circumstances change. Acquired deferred tax benefits recognised within the measurement period reduce goodwill related to that acquisition if they result from new

Notes to the Standalone Financial Statements for the year ended March 31, 2026

(All amounts in ₹ lakhs, unless otherwise stated)

information obtained about facts and circumstances existing at the acquisition date. If the carrying amount of goodwill is zero, any remaining deferred tax benefits are recognised in OCI/ capital reserve depending on the principle explained for bargain purchase gains. All other acquired tax benefits realised are recognised in Statement of Profit and Loss.

The Company offsets deferred tax assets and deferred tax liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

(q) Treasury shares

The Company has created an Employee Benefit Trust (EBT) for providing share-based payment to its employees. The Company uses EBT as a vehicle for distributing shares to employees under the employee remuneration schemes. The EBT buys shares from the Company, for giving shares to employees. The Company treats EBT as its extension and shares held by EBT are treated as treasury shares. Refer note 16.

No gain or loss is recognised in Statement of Profit and Loss on the issue or cancellation of the Company's own equity instruments.

On consolidation of EBT with the Company, the value of shares held by trust is shown as a deduction from equity (i.e. reduction from share capital to the extent of face value and remaining from securities premium). Gains/ losses recognized by the trust on issue of shares are shown as a part of securities premium.

Share options exercised during the reporting period are issued from treasury shares."

(r) Provisions and Contingent Liabilities

Provisions

Provisions are recognised when there is a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, in respect of which a reliable estimate can be made of the amount of the obligation. "

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Provision for warranty

As per the terms of the contracts, the Company provides post-contract services / warranty support to some of its customers. The Company accounts for the post-contract support / provision for warranty on the basis of the information available with the management duly taking into account the current and past technical estimates. The estimate of such warranty-related costs is revised annually.

Contingent Liabilities

A contingent liability is a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognised because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses it in the Standalone Financial Statements, unless the possibility of an outflow of resources embodying economic benefits is remote.

Notes to the Standalone Financial Statements for the year ended March 31, 2026

(All amounts in ₹ lakhs, unless otherwise stated)

(s) Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker (CODM). The Company has identified three reportable segment based on the dominant source, nature of risks and return and the internal organisation and management structure and for which discrete financial information is available. The Executive Management Committee monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment.

(t) Earnings/(Loss) per share

Basic earnings per share is calculated by dividing the net profit or loss attributable to equity holders of the Company (after deducting preference dividends and attributable taxes) by the weighted average number of equity shares outstanding during the period (including treasury share).

The weighted average number of equity shares outstanding during the period is adjusted for events such as bonus issue, bonus element in a rights issue, share split, and reverse share split (consolidation of shares) that have changed the number of equity shares outstanding, without a corresponding change in resources.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders of the company and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares. The weighted average number of shares takes into account the weighted average effect of changes in treasury share transactions and CCPS during the year.

Ordinary shares that will be issued upon the conversion of a mandatorily convertible instrument are included in the calculation of basic earnings per share from the date the contract is entered into.

(u) Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time.

In May 2025, MCA notified amendments to Ind AS 21 - The Effects of Changes in Foreign Exchange Rates, applicable w.e.f. 1 April 2025. The Company has reviewed the amendment and based on its evaluation has determined that it does not have any significant impact on the Standalone Financial Information.

In August 2025, MCA notified the following amendments to:

- (i) Ind AS 1, Presentation of Financial Statements, applicable w.e.f. 1 April 2025 - The amendment relates to classification of liabilities as current or non-current and non-current liabilities with covenants. In the context of classifying a liability as current, it removes the requirement of existence of a right to defer settlement for at least 12 months after the reporting date and instead requires that the said right should exist on the reporting date and have substance. The amendment also introduces guidance on classification of liabilities with covenants. The Standalone Financial Statements has no impact of these amendments in its classification criteria of current and non-current liabilities.
- (ii) Ind AS 7, Statement of Cash Flows and Ind AS 107, Financial Instruments - Disclosures, applicable w.e.f. 1 April 2025 - The amendment in Ind AS 7 requires to inform users of financial statements of the existence of supplier finance arrangements and explain the nature of the arrangements, the carrying amount of liabilities and the range of payment due dates. Ind AS 107 has been amended to add supplier finance arrangements as a factor that may cause concentration of liquidity risk. The Company has reviewed the amendment and based on its evaluation has determined that it does not have any significant impact on the Standalone Financial Information.
- (iii) Ind AS 12, Income Taxes - International Tax Reform - Pillar Two Model Rules applicable immediately - The amendments provide a temporary mandatory relief from deferred tax accounting for top-up tax and disclose that they have applied the relief. This relief is immediate and applies retrospectively. The Company has reviewed the amendment and based on its evaluation has determined that it does not have any significant impact on the Standalone Financial Information.

Notes to the Standalone Financial Statements for the year ended March 31, 2026

(All amounts in ₹ lakhs, unless otherwise stated)

(v) Critical estimates and judgements

The preparation of the Standalone Financial Statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of asset or liability affected in future periods. The areas involving significant estimates or critical judgements are:

Significant judgements and estimates

(a) Defined benefit plans

The cost of the defined benefit gratuity plan and other post-employment benefit and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate and future salary increases. Due to complexities involved in the valuation and its long term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The parameter most subject to change is the discount rate. The mortality rate is based on publicly available mortality table in India. The mortality tables tend to change only at interval in response to demographic changes. Further salary increases and gratuity increases are based on expected future inflation rates. Further details about the gratuity obligations are given in Note 34.

(b) Impairment of Investment in subsidiary

The Company has investment in subsidiary which have been tested for impairment as at the year end. Estimates involved in this assessment are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on these subsidiaries that are believed to be reasonable under the circumstances.

(c) Revenue recognition

The Company uses the percentage-of-completion method in accounting for its fixed-price contracts. Use of the percentage-of-completion method requires the Company to estimate the efforts or costs expended to date as a proportion of the total efforts or costs to be expended. Efforts or costs expended have been used to measure progress towards completion as there is a direct relationship between input and productivity.

Provisions for estimated losses, if any, on uncompleted contracts are recorded in the period in which such losses become probable based on the expected contract estimates at the reporting date.

(d) Impairment of Goodwill

Goodwill is tested for impairment on an annual basis and whenever there is an indication that the recoverable amount of a cash generating unit (CGUs) is less than its carrying amount. For the impairment test, goodwill is allocated to the CGU or groups of CGUs which benefit from the synergies of the acquisition and which represent the lowest level at which goodwill is monitored for internal management purposes. The recoverable amount of CGUs is determined based on higher of value-in-use and fair value less cost to sell. Key assumptions in the cash flow projections are prepared based on current economic conditions and comprises estimated long term growth rates, weighted average cost of capital and estimated operating margins. Refer note 4

(e) Deferred taxes

Deferred tax liabilities are recognised for all taxable temporary differences. Deferred tax assets are recognised for all the deductible temporary differences, however the same is restricted to the extent of the deferred tax liabilities unless it is probable that sufficient taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised. Refer note 11.

Notes to the Standalone Financial Statements for the year ended March 31, 2026

(All amounts in ₹ lakhs, unless otherwise stated)

3 Property, plant and equipment

	Land	Building	Computer Systems	Vehicles	Office equipments	Furniture and fixtures	Leasehold improvements	Total	Capital work-in-progress
Cost or valuation									
As at April 01, 2024	4,423	8,486	722	-	551	203	318	14,703	9
Effect of Merger (refer note 43)	-	-	196	35	14	16	-	261	-
As at April 01, 2024 (after effect of Merger)	4,423	8,486	918	35	565	219	318	14,964	9
Additions	-	-	222	-	73	8	-	303	227
Transfers from CWIP	-	-	-	-	-	22	214	236	(236)
Disposals	-	-	-	(14)	-	-	-	(14)	-
As at March 31, 2025	4,423	8,486	1,140	21	638	249	532	15,489	-
Additions	-	-	96	-	13	7	-	116	3
Transfers from CWIP	-	-	-	-	-	3	-	3	(3)
Disposals	-	-	(38)	-	-	-	-	(38)	-
As at March 31, 2026	4,423	8,486	1,198	21	651	259	532	15,570	-
Accumulated depreciation									
As at April 01, 2024	-	287	369	-	189	50	121	1,016	-
Effect of Merger (refer note 43)	-	-	140	15	7	8	-	170	-
As at April 01, 2024 (after effect of Merger)	-	287	509	15	196	58	121	1,186	-
Charge for the year	-	170	290	6	79	42	56	643	-
Disposals	-	-	-	(11)	-	-	-	(11)	-
As at March 31, 2025	-	457	799	10	275	100	177	1,818	-
Charge for the year	-	169	269	5	86	51	72	652	-
Disposals	-	-	(38)	-	-	-	-	(38)	-
As at March 31, 2026	-	626	1,030	15	361	150	249	2,432	-
Net book value									
As at March 31, 2025	4,423	8,029	341	11	363	149	355	13,671	-
As at March 31, 2026	4,423	7,860	167	6	290	109	283	13,138	-

Note:

- Refer note 19 for details of charge created on the Property, plant and equipment.
- All property, plant and equipment are owned by the Company unless otherwise stated.
- There are no proceeding initiated or pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.

Notes to the Standalone Financial Statements for the year ended March 31, 2026

(All amounts in ₹ lakhs, unless otherwise stated)

4 Goodwill and other intangible assets

i) Goodwill

Cost or valuation	March 31, 2026	March 31, 2025
Deemed cost		
As at March 31	7,902	2,498
Effect of Merger (refer note 43)	-	5,404
As at March 31	7,902	7,902
Accumulated Impairment		
As at March 31	1,887	1,887
As at March 31	1,887	1,887
Net book value as at March 31	6,015	6,015

Impairment of goodwill

The Goodwill of ₹ 1,887 lakhs relates to business acquisition of OSS Cube Solutions Limited, ₹ 611 lakhs relates to the business acquisition of Cupola Technology Private Limited and ₹ 5,404 lakhs related to business combination of Sri Mookambika Infosolutions Private Limited (SMI) which has been allocated to PDES cash generating units (CGU). Goodwill related to OSS cube is fully impaired.

Goodwill is tested for impairment on an annual basis by the Company. The recoverable value of the CGU is determined based on value-in-use calculation using the cash flow projections based on the financial budgets approved by the management covering a five year period.

The following table sets out the key assumptions for calculation of value-in-use for these CGUs:

	PDES	
	March 31, 2026	March 31, 2025
Discount rate	17.88% to 19.36%	19.3% to 19.61%
Long term growth rate	2% to 4%	2% to 4%
Sales growth	4% to 10%	15% to 25%
Carrying value of goodwill	6,015	6,015

The discount rate is based on the Weighted Average Cost of Capital (WACC) which represents the weighted average return attributable to all the assets of the CGU.

There is no impairment noted in the CGUs based on the assessment performed by the management. Management has performed sensitivity analysis around the base assumption and have concluded that no reasonable possible change in key assumptions would cause the recoverable amount to be lower than the carrying amount of respective CGU.

Notes to the Standalone Financial Statements for the year ended March 31, 2026

(All amounts in ₹ lakhs, unless otherwise stated)

ii) Other intangible assets

	Other intangible assets			Total	Intangible assets under development
Cost or valuation	Customer relationships	Non-compete	Computer software		
As at March 31, 2024	-	-	1,230	1,230	22
Effect of Merger (refer note 43)	7,930	329	-	8,259	-
As at April 01, 2024 (after effect of Merger)	7,930	329	1,230	9,489	22
Additions			328	328	23
Transfer from intangible assets under development			27	27	(27)
As at March 31, 2025	7,930	329	1,585	9,844	18
Additions	-	-	279	279	65
Transfer from intangible assets under development	-	-	-	-	-
As at March 31, 2026	7,930	329	1,864	10,123	83
Accumulated amortisation					
As at March 31, 2024	-	-	918	918	-
Effect of Merger (refer note 43)	1,416	138	-	1,554	-
As at April 01, 2024 (after effect of Merger)	1,416	138	918	2,472	-
Charge for the year	1,133	110	307	1,550	-
As at March 31, 2025	2,549	248	1,225	4,022	-
Charge for the year	1,133	81	310	1,524	-
As at March 31, 2026	3,682	329	1,535	5,546	-
Net book value					
As at March 31, 2025	5,381	81	360	5,822	18
As at March 31, 2026	4,248	0	329	4,577	83

Intangible Assets under Development (IAUD) Ageing

As at March 31, 2026

	Amount in IAUD for a period				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	83	-	-	-	83
Projects temporarily suspended	-	-	-	-	-
Total	83	-	-	-	83

As at March 31, 2025

	Amount in IAUD for a period				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	18	-	-	-	18
Projects temporarily suspended	-	-	-	-	-
Total	18	-	-	-	18

Notes to the Standalone Financial Statements for the year ended March 31, 2026

(All amounts in ₹ lakhs, unless otherwise stated)

5 Right-of-use assets

	Computer systems	Office equipment	Office buildings	Motor vehicles	Total
As at March 31, 2024	1,284	96	4,160	158	5,698
Additions	1,275	13	1,279	680	3,247
Disposals	-	-	-	(5)	(5)
Depreciation	(1,082)	(25)	(1,579)	(174)	(2,860)
As at March 31, 2025	1,477	84	3,860	659	6,080
Additions	1,052	-	1,108	187	2,347
Disposals	(1)	-	-	(72)	(73)
Depreciation	(1,003)	(23)	(1,672)	(240)	(2,938)
As at March 31, 2026	1,525	61	3,296	534	5,416

The average lease period of the leased assets is 4.26 years (March 31, 2025: 3.8 years).

The Company recognized the following income and expense in the statement of profit and loss pertaining to leased assets:

	March 31, 2026	March 31, 2025
Interest expense on lease liabilities - refer note 30	605	670
Depreciation of Right-of-use assets - refer note 29	2,938	2,860
Rent expense pertaining to short- term leases - refer note 31	684	533
	4,227	4,063

6A Investments

Unquoted, carried at cost less impairment

	March 31, 2026	March 31, 2025
Investment in Subsidiaries:		
Investment in Equity shares of Happiest Minds Inc. (formerly known as PGS Inc.)	6,025	6,025
1,00,000 (March 31, 2024 : 1,00,000) equity shares of face value of \$1 each, fully paid		
Investment in Equity shares of PureSoftware Technologies Private Limited	70,303	70,303
3,24,11,166 equity shares of face value of ₹1 each, fully paid		
Investment in Equity shares of InnovazIT Technologies LLC	1,315	1,293
8,200 equity shares of face value of AED 1 each, fully paid		
Investment in Equity shares of GAVS Technologies LLC	669	664
2,47,500 equity shares of face value of OMR 1 each, fully paid		
Investment in Equity shares of GAVS Technologies Saudi Arabia for Telecommunications and Information Technology	22	22
100 equity shares of face value of SAR 1 each, fully paid		
Investment in Equity shares of Aureus Tech Systems Private Limited	1,624	-
100 equity shares of face value of ₹ 1 each, fully paid		
	79,958	78,307
Less: Impairment in value of investment	-	-
	79,958	78,307
Aggregate amount of quoted investment and market value thereof	-	-
Aggregate amount of unquoted investment	79,958	78,307
Aggregate amount of impairment in the value of investments	-	-

Notes to the Standalone Financial Statements for the year ended March 31, 2026

(All amounts in ₹ lakhs, unless otherwise stated)

Name of entity	Nature	Country of incorporation	Ownership interest held by Company	
			March 31, 2026	March 31, 2025
Happiest Minds Inc. (formerly known as PGS Inc.)	Subsidiary	USA	100%	100%
PureSoftware Technologies Private Limited	Subsidiary	India	100%	100%
Aureus Tech Systems India Private Limited	Subsidiary	India	100%	100%
InnovazIT Technologies LLC	Subsidiary	UAE	100%	100%
GAVS Technologies LLC	Subsidiary	Oman	100%	100%
GAVS Technologies Saudi Arabia for Telecommunications and Information Technology	Subsidiary	Saudi Arabia	100%	100%

6B Investments

Carried at fair value through statement of profit and loss

	March 31, 2026	March 31, 2025
	Amount	Amount
Current		
Investment in mutual funds*	50,352	35,039
	50,352	35,039
Note:		
Aggregate book value of quoted investments	50,352	35,039
Aggregate market value of quoted investments	50,352	35,039
Aggregate book value of unquoted investments	-	-
Aggregate market value of unquoted investments	-	-

*Includes mutual fund investments on which a lien has been marked amounting to ₹ 41,336 lakhs as at March 31, 2026 (March 31, 2025: Nil).

7 Loans

Carried at amortised cost

	March 31, 2026	March 31, 2025
Non-current		
Loans considered good - Unsecured		
Loans to Subsidiary - refer note 39	-	1,250
	-	1,250
Current		
Loans considered good - Unsecured		
Loans to employees	8	10
	8	10

Notes to the Standalone Financial Statements for the year ended March 31, 2026

(All amounts in ₹ lakhs, unless otherwise stated)

8 Other financial assets

	March 31, 2026	March 31, 2025
(a) Other financial assets carried at amortised cost		
(unsecured, considered good, unless otherwise stated)		
Non-current		
Fixed deposit with maturity of more than 12 months	20,005	15
Margin money deposits - refer note (i) below	6,276	6,286
Security deposit	822	863
	27,103	7,164
(i) Margin money deposit is used to secure:		
Term loan - Federal bank	6,252	6,252
Guarantees given	24	34
Current		
Interest accrued on fixed deposit	1,151	1,817
Unbilled revenue #	7,784	10,246
Security deposit	388	125
Other receivables	6,100	1,076
	15,423	13,264
Security deposit - credit impaired	(1)	-
Less: Allowance for credit impaired loans	-	-
Less: loss allowance on unbilled revenue	101	177
	15,321	13,087
# Classified as financial asset as right to consideration is unconditional and is due only after a passage of time. Includes ₹ 4,295 lakhs (March 31, 2025 : ₹ 253 lakhs) from related party. Refer note 39		
(b) Derivative instruments carried at fair value through OCI		
Designated as Cash flow hedges		
Foreign currency forward contracts - refer note 37 (B)	7	235
Cross currency interest rate swap - refer note 37 (B)	20	241
	27	476
Total other current financial assets	15,348	13,563

9 Income tax assets (net)

Carried at amortised cost

	March 31, 2026	March 31, 2025
Non - current		
Income tax assets (net)	5,027	3,479
	5,027	3,479

Notes to the Standalone Financial Statements for the year ended March 31, 2026

(All amounts in ₹ lakhs, unless otherwise stated)

10 Other assets

	March 31, 2026	March 31, 2025
Non - current		
Prepaid expenses	166	86
	166	86
Current		
Prepaid expenses	2,661	2,276
Balances with statutory / government authorities	579	672
Advance to employees against expenses	78	276
Advance to suppliers - refer note 39	558	410
Contract assets	5,479	1,650
Capital Advance	-	6
	9,355	5,290
Less: loss allowance on contract assets	71	29
	9,284	5,261

11A Deferred tax assets (net)

The Company has recognised deferred tax on temporary deductible difference which are probable to be available against future taxable profit.

	March 31, 2026	March 31, 2025
Deferred tax assets (net)	2,954	2,368
	2,954	2,368

Significant components and movement in deferred tax assets and liabilities during the year ended March 31, 2026 :

	April 1, 2025	Recognised in profit or loss	Recognised in Other comprehensive income	March 31, 2026
Mutual funds	(312)	(531)	-	(843)
Goodwill	(154)	-	-	(154)
Property, plant and equipment and intangible assets	(326)	(72)	-	(398)
Derivative assets	89	-	938	1,027
Loss allowance on trade receivables	544	(281)	-	263
Lease liability and right-of-use assets	314	5	-	319
Provision for gratuity and leave encashment	1,520	770	(104)	2,186
Employee related liabilities	455	(193)	-	262
Others	238	55	-	293
Deferred tax assets (net)	2,368	(247)	834	2,954

Notes to the Standalone Financial Statements for the year ended March 31, 2026

(All amounts in ₹ lakhs, unless otherwise stated)

Significant components and movement in deferred tax assets and liabilities during the year ended March 31, 2025 :

	April 1, 2024	Effect of Merger(refer note 43)	Recognised in profit or loss	Recognised in Other comprehensive income	March 31, 2025
Mutual funds	-	-	(312)	-	(312)
Goodwill	(154)	-	-	-	(154)
Property, plant and equipment and intangible assets	(231)	4	(99)	-	(326)
Derivative assets	10	-	-	79	89
Loss allowance on trade receivables	280	-	264	-	544
Lease liability and right-of-use assets	329	-	(15)	-	314
Provision for gratuity and leave encashment	932	120	345	124	1,520
Employee related liabilities	308	-	147	-	455
Others	163	60	15	-	238
Deferred tax assets (net)	1,637	183	345	203	2,368

11B Deferred tax liabilities (net)

The Company has recognised deferred tax on temporary deductible difference which are probable to be available against future taxable profit.

	March 31, 2026	March 31, 2025
Deferred tax liabilities (net)	1,069	1,375
	1,069	1,375

Significant components and movement in deferred tax assets and liabilities during the year ended March 31, 2026 :

	April 1, 2025	Recognised in profit or loss	Recognised in Other comprehensive income	March 31, 2026
Property, plant and equipment and intangible assets	1,375	(306)	-	1,069
Deferred tax assets (net)	1,375	(306)	-	1,069

Significant components and movement in deferred tax assets and liabilities during the year ended March 31, 2025 :

	April 1, 2024	Effect of Merger(refer note 43)	Recognised in profit or loss	Recognised in Other comprehensive income	March 31, 2025
Property, plant and equipment and intangible assets	-	1,688	(313)	-	1,375
Deferred tax assets (net)	-	1,688	(313)	-	1,375

Notes to the Standalone Financial Statements for the year ended March 31, 2026

(All amounts in ₹ lakhs, unless otherwise stated)

12 Trade receivables

Carried at amortised cost

	March 31, 2026	March 31, 2025
Current		
Trade receivables - others	29,584	25,363
Trade receivables - related party- Refer note 39	4,296	2,727
Total trade receivables	33,880	28,090
Break-up for security details		
Unsecured, considered good	33,880	28,090
Unsecured, considered doubtful	919	1,952
	34,799	30,042
Impairment allowance		
Unsecured, considered good	(919)	(1,952)
Trade receivables net of impairment	33,880	28,090

Trade receivables Ageing Schedule:

As at March 31, 2026

	Outstanding for the following periods from the due date of payment						Total
	Current but not due	Less than 6 months	6 months-1 years	1-2 years	2-3 years	More than 3 years	
Undisputed Trade receivables - considered good	26,775	6,984	166	-	-	17	33,942
Undisputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
Undisputed Trade receivables - credit impaired	-	46	134	405	115	157	857
Disputed Trade receivables - considered good	-	-	-	-	-	-	-
Disputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed Trade receivables - credit impaired	-	-	-	-	-	-	-
Total	26,775	7,030	300	405	115	174	34,799
Less: Impairment allowance							919
Total							33,880

Notes to the Standalone Financial Statements for the year ended March 31, 2026

(All amounts in ₹ lakhs, unless otherwise stated)

	Outstanding for the following periods from the due date of payment						Total
	Current but not due	Less than 6 months	6months-1 years	1-2 years	2-3 years	More than 3 years	
Undisputed Trade receivables - considered good	18,588	9,315	271	-	-	-	28,174
Undisputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
Undisputed Trade receivables - credit impaired	-	1,244	252	126	69	177	1,868
Disputed Trade receivables - considered good	-	-	-	-	-	-	-
Disputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed Trade receivables - credit impaired	-	-	-	-	-	-	-
Total	18,588	10,559	523	126	69	177	30,042
Less: Impairment allowance	-	-	-	-	-	-	1,952
Total							28,090

(i) No trade or other receivable are due from directors or other officers of the Company either severally or jointly with any other person. Nor any trade or other receivable are due from firms or private companies respectively in which any director is a partner, a director or a member, except as disclosed in note 39

(ii) Trade receivables are non-interest bearing and are generally on terms of 0 to 180 days.

(iii) For terms and conditions relating to related party receivables refer note 39

(iv) For unbilled revenue refer note 8

13 Cash and cash equivalents

	March 31, 2026	March 31, 2025
Balances with banks:		
- in current accounts	4,463	4,166
- in EEFC accounts	1,300	430
Deposits with original maturity of less than three months - refer note below	1	1
	5,764	4,596

Note:

Short-term deposits are made for varying periods of between one day and three months, depending on the immediate cash requirements of the Company, and earn interest at the respective short-term deposit rates.

Notes to the Standalone Financial Statements for the year ended March 31, 2026

(All amounts in ₹ lakhs, unless otherwise stated)

14 Bank and bank balance other than cash and cash equivalents

	March 31, 2026	March 31, 2025
Fixed deposit	26,835	19,639
Margin money deposits - refer note (i) below	52,179	73,892
Balances with bank in unpaid dividend account	41	381
	79,055	93,912
(i) Margin money deposit is used to secure:		
Working capital facility and bank overdrafts	51,407	65,880
Term loan - Federal bank	-	-
Guarantees given	772	8,012

15 Share Capital

Equity share capital

i) Authorised share capital

	Numbers	Amount
Equity share capital of ₹ 2 each		
As at April 01, 2024	22,93,00,000	4,586
Increase during the year	-	-
As at March 31, 2025	22,93,00,000	4,586
Increase during the year	-	-
As at March 31, 2026	22,93,00,000	4,586

ii) Issued, subscribed and fully paid up Equity share capital

	Issued Share Capital (A)	Treasury shares (B)	Total (A+B)	Amount
Equity share capital of ₹ 2 each, fully paid up				
As at April 01, 2024	152,274,811	(2,920,385)	14,93,54,426	2,987
Exercise of share options - refer note (16)		692,441	6,92,441	14
As at March 31, 2025	152,274,811	(2,227,944)	15,00,46,867	3,001
Exercise of share options - refer note (16)		215,069	2,15,069	4
As at March 31, 2026	152,274,811	(2,012,875)	15,02,61,936	3,005

(1) During the year ended March 31, 2026, Employee Stock Option Trust (ESOP trust) issued 2,15,069 (March 31, 2025 - 6,92,441) equity shares to the employees upon exercise of employee stock options.

(2) The outstanding equity shares as at April 01, 2024, March 31, 2025 and March 31, 2026 are presented net of treasury shares.

(iii) Terms/ rights attached to equity shares

The Company has a single class of equity share of par value ₹ 2 each. Each holder of the equity shares is entitled to one vote per share and carries a right to dividends as and when declared by the Company.

In the event of liquidation of the Company, the holders of equity shares, will be entitled to receive any of the remaining assets of the Company after distribution of all preferential amounts.

Notes to the Standalone Financial Statements for the year ended March 31, 2026

(All amounts in ₹ lakhs, unless otherwise stated)

(iv) Details of shareholders holding more than 5% shares in the Company: -

	March 31, 2026		March 31, 2025	
	No of Shares	Holding percentage	No of Shares	Holding percentage
Equity shares of ₹ 2 each fully paid				
Mr. Ashok Soota (Promoter)	4,92,45,787	32.77%	49,245,787	32.82%
Ashok Soota Medical Research LLP	1,79,48,784	11.94%	17,948,784	11.96%
SBI Small Cap Fund	1,01,74,484	6.77%	11,712,365	7.81%

As per the records of the Company, including its register of shareholders/members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents legal ownership of shares.

(v) The Company has not issued any bonus shares or shares for consideration other than cash during the period of five years immediately preceding the reporting date.

(vi) Details of shares held by promoters

As at March 31, 2026

	Promoter name	No of shares at the beginning of the year	Change during the year	No of shares at the end of the year	% of Total Shares	% change during the year
Equity shares of ₹ 2 each fully paid	Mr. Ashok Soota	49,245,787	-	49,245,787	32.77%	0.00%
Equity shares of ₹ 2 each fully paid	Ashok Soota Medical Research LLP	17,948,784	-	17,948,784	11.94%	0.00%

As at March 31, 2025

	Promoter name	No of shares at the beginning of the year	Change during the year	No of shares at the end of the year	% of Total Shares	% change during the year
Equity shares of ₹ 2 each fully paid	Mr. Ashok Soota	58,382,277	(9,136,490)	49,245,787	32.97%	(15.65)%
Equity shares of ₹ 2 each fully paid	Ashok Soota Medical Research LLP	17,948,784	-	17,948,784	12.02%	0.00%

16 Treasury shares

	No of shares
As at April 01, 2024	29,20,385
Issue for cash on exercise of share options	(6,92,441)
As at March 31, 2025	22,27,944
Issue for cash on exercise of share options	(2,15,069)
As at March 31, 2026	20,12,875

For the terms/rights attached to treasury shares refer note 15 (iii) above

Notes to the Standalone Financial Statements for the year ended March 31, 2026

(All amounts in ₹ lakhs, unless otherwise stated)

17 Other equity

	March 31, 2026	March 31, 2025
Securities premium account	90,661	90,580
Retained earnings	72,396	59,059
Cash flow hedge reserve	(3,052)	(264)
Share options outstanding reserve	650	68
	160,655	149,442

	March 31, 2026	March 31, 2025
a) Securities premium account		
Opening balance	90,580	90,318
Exercise of share option by employees	52	168
Transferred from ESOP reserve for options exercised	29	94
Closing balance	90,661	90,580
b) Retained earnings		
Opening balance	59,059	53,930
Effect of Merger - refer note 43	-	(1,439)
Profit for the year	22,412	15,543
Other comprehensive income recognised directly in retained earnings	311	(369)
Dividend - refer note 18	(9,386)	(8,608)
Transferred from share option outstanding reserve for options forfeited	-	1
Closing balance	72,396	59,059
c) Cash flow hedge reserve		
Opening balance	(264)	(28)
Net movement on effective portion of cash flow hedges - refer note 37 (B)	(2,788)	(236)
Closing balance	(3,052)	(264)
d) Share options outstanding reserve		
Opening balance	68	163
Employee compensation expense for the year - refer note 42	611	-
Transferred to retained earnings for options forfeited	-	(1)
Transferred to securities premium for options exercised	(29)	(94)
Closing balance	650	68

(i) Nature and purpose of other reserves

a) Securities premium account :

Securities premium account has been created consequent to issue of shares at premium. The reserve can be utilised in accordance with the provisions of the Companies Act 2013.

b) Retained earnings :

Retained earnings comprises of prior years and current year's undistributed earnings/accumulated losses after tax.

Notes to the Standalone Financial Statements for the year ended March 31, 2026

(All amounts in ₹ lakhs, unless otherwise stated)

c) Cash flow hedge reserve :

The Company uses foreign currency forward contracts to hedge the highly probable forecasted transaction and interest rate swaps to hedge the interest rate risk associated with foreign currency term loan. The effective portion of fair value gain/loss of the hedge instrument is recognised in the cash flow hedge reserve. Amounts recognised in the cash flow hedge reserve is reclassified to the Statement of Profit and Loss when the hedged item affects profit or loss.

d) Share options outstanding reserve :

The share based payment reserve is used to recognise the grant date fair value of options issued to employees under Employee Stock Option Plan.

18 Distribution made

	March 31, 2026	March 31, 2025
Dividends on equity shares declared and paid :		
Final dividend paid for the year ended on March 31, 2025 : 3.5/- per share (March 31, 2024 : ₹ 3.25/- per share)	5,252	4,854
Interim dividend for the year ended on March 31, 2025: ₹ 2.75/- per share (March 31, 2025 : 2.5/- per share)	4,134	3,754
	9,386	8,608

19 Borrowings

Carried at amortised cost

	March 31, 2026	March 31, 2025
Non current		
Secured		
Term loan from bank - refer note (a)	9,445	10,444
Unsecured		
Term loan from bank - refer note (b)	24,420	24,061
	33,865	34,505
Less: Current maturities of secured term loan	(1,104)	(968)
Less: Current maturities of unsecured term loan	(4,633)	-
Total non-current borrowings	28,128	33,537
Current		
Secured		
Loans from banks		
Foreign currency loan (PCFC) - refer note (d)	23,471	22,654
Bank overdraft - refer note (d)	68,344	44,778
Unsecured		
Loans from banks		
Redeemable non-convertible debentures - refer note (c)	8,000	8,000
Loan from subsidiary - PureSoftware Technologies Private limited	1,700	350
Current maturities of term loans		
Secured term loan from bank - refer note (a)	1,104	968
Unsecured term loan from bank - refer note (b)	4,633	-
Total current borrowings	107,252	76,750

Notes to the Standalone Financial Statements for the year ended March 31, 2026

(All amounts in ₹ lakhs, unless otherwise stated)

Notes

- (a) Rupee term loan of ₹ 9,445 lakhs from Federal bank carries an effective interest rate of 7.9% per annum (March 31, 2025 : 7.9%). The loan is repayable in 120 monthly installment commencing from August 15, 2022 and will mature on July 15, 2032. The proceeds from the loan was utilized for the acquisition of building -SJR Equinox, including the land comprised therein, situated at Electronic City, Bengaluru. The loan is secured by way of exclusive charge on such land and building together with all the fixtures in the building along with lien on fixed deposits equivalent to three months equated monthly instalments (refer note 8).

The Company had entered into a Cross currency interest rate swap with respect to this loan, equal to the tenor of the loan, resulting in an effective interest rate of 4.21% per annum.

- (b) The unsecured term loan from bank carries an interest rate of 7.5% fixed (March 31, 2025 : 8.60%). The loan is repayable in 60 months commencing from October 14, 2024 to October 14, 2029. The Company has entered into interest rate swap derivative agreement to convert the fixed interest loan to floating interest rate benchmarked to 1M T-bill plus spread in two tranches i. ₹ 20,000 lakhs as on January 01, 2026 and ii. ₹ 4,900 lakhs as on March 12, 2026.

- (c) The Company had issued 4,500 and 3,500 rated, listed, negotiable, unsecured, redeemable non-convertible debentures (NCDs) aggregating to ₹ 8,000 lakhs were issued during FY 23-24 on a private placement basis, carrying a coupon rate of 3m T-bill + 2.35% p.a payable quarterly. Each NCD has face value of ₹ 1 lakh and is redeemable at face value at the end of 3rd year from the date of respective allotment. NCDs were allotted on 8th May, 2023 and 26th September, 2023 respectively and will mature on 8th May, 2026 and 26th September 2026 respectively. The proceeds from NCDs has been utilised for general corporate purpose. The investor and the issuer has put and call option respectively, for the redemption of debenture at face value on the coupon payment date falling on the expiry of one year or two years from the deemed date of allotment. Consequently, the NCDs are classified as current borrowings.

- (d) Company has availed lines of credit from banks in the form of Packing Credit in Foreign Currency (PCFC),Overdraft and short term loans to meet the working capital and other short term requirements

Packing credit in foreign currency (PCFC):

During the current year the total sanctioned limit was ₹ 39,500 lakhs (March 31, 2025 - ₹ 31,500 lakhs). Loans were drawn in USD which carried floating interest rate benchmarked to SOFR + Spread. Interest rates ranged from 4.29% to 5.26% (March 31, 2025 5.04% to 6.27%). Tenor of the loan ranged from 90 days to 180 days. Loans were secured by way of pari-passu charge on current assets of the Company. These loans were sanctioned as revolving credit which will be renewed on periodic basis. The loans stipulate certain financial covenants as per the terms agreed and the Company has complied with all the covenants to the satisfaction of the banks.

Overdraft facility:

The total sanctioned overdraft limit was ₹ 82,375 lakhs (March 31, 2025 - ₹ 59,800 lakhs). Interest rates on overdraft was charged with a mark up on fixed deposit interest rates. Mark ups ranged from 55bps to 75bps. Loans were fully secured by way of lien on fixed deposit equivalent to ₹ 51,406 lakhs (March 31, 2025 - ₹ 65,880 lakhs) and through pledge of mutual funds equivalent to ₹.41,336 lakhs (March 31, 2025 - nil) (refer note 14).

Non-fund based facility:

Company availed non-fund based revolving facility of ₹ 767 lakhs (March 31, 2025 - ₹ 7,827 lakhs) which can be used for issuance of letter of credits and bank guarantees"

- (e) PCFC loan from RBL bank, Federal bank, Kotak Mahindra, NCDs and Rupee term loan from Federal bank contains covenants pertaining to current ratio, interest coverage ratio, total outstanding liability to adjusted tangible net worth ratio, total debt to EBIDTA, Debt service coverage ratio. The Company has satisfied all the debt covenants prescribed in the terms of the borrowings. Other borrowings do not have any debt covenants. The Company has not defaulted in any of the loans payable. Monthly statement of book debts filed by the Company with banks in respect of the PCFC facilities, are in agreement with the books of accounts.

Notes to the Standalone Financial Statements for the year ended March 31, 2026

(All amounts in ₹ lakhs, unless otherwise stated)

The table below details change in the Company's liabilities arising from financing activities, including both cash and non-cash changes

	Non-current borrowings #	Current borrowings
As at April 01, 2024	11,278	32,959
Financing cash flows (net)	23,092	43,293
Non cash movements:		
Foreign exchange difference	135	(471)
As at March 31, 2025	34,505	75,781
Financing cash flows (net)	(169)	24,802
Non cash movements:		
Impact of Fair value hedge	(470)	-
Foreign exchange difference	(1)	932
As at March 31, 2026	33,865	101,515

#Current maturities of term loans are included in the Non-current borrowings

20 Distribution made

Carried at amortised cost

	March 31, 2026	March 31, 2025
Non current		
Lease liabilities	6,697	7,351
	6,697	7,351
Less: Current maturities of lease liabilities	(2,878)	(2,820)
Total non-current lease liabilities	3,819	4,531
Current		
Lease liabilities	2,878	2,821
Total current lease liabilities	2,878	2,821

(i) Movement in lease liabilities for year ended March 31, 2026 and March 31, 2025:

	March 31, 2026	March 31, 2025
Balance at beginning of the year	7,351	6,982
Additions	2,412	3,223
Finance cost incurred during the period - refer note 30	605	670
Disposal	(72)	(11)
Payment of lease liabilities	(3,599)	(3,499)
Exchange difference	0	(14)
Balance at the end of the year	6,697	7,351

Notes to the Standalone Financial Statements for the year ended March 31, 2026

(All amounts in ₹ lakhs, unless otherwise stated)

(ii) The table below provides details regarding the contractual maturities of lease liabilities as at March 31, 2026 and March 31, 2025

	March 31, 2026	March 31, 2025
Less than one year	3,309	3,355
one to five years	4,112	4,794
more than five years	-	-

(iii) The Company had total cash outflow of ₹ 3,598 lakhs during the year ended March 31, 2026 (March 31, 2025 - ₹ 3,480 lakhs) for leases recognized in balance sheet. The Company has made a non-cash addition to lease liabilities of ₹ 2,411 lakhs during the year ended March 31, 2026 (March 31, 2025 - ₹ 3,204 lakhs).

21 Other financial liabilities

	March 31, 2026	March 31, 2025
Non-current		
Carried at fair value through profit or loss		
Fair value hedges		
Interest rate swap - refer note 37 (B)	416	-
	416	-
Carried at fair value through other comprehensive income		
Cash flow hedges		
Cross currency interest rate swap - refer note 37 (B)	1,715	612
	1,715	612
Total non - current financial liabilities	2,131	612
Current		
Carried at amortised cost		
Employee related liabilities	3,502	3,258
Unpaid dividend	41	46
Capital creditors	262	287
Consideration payable	-	422
Accrued interest payable#	601	54
	4,406	4,067
Carried at fair value through profit or loss		
Contingent consideration - refer note 36 (iv) and 36 (v)	144	8,855
Fair value hedges		
Interest rate swap - refer note 37 (B)	22	-
	166	8,855
Carried at fair value through other comprehensive income		
Cash flow hedges		
Foreign currency forward contracts - refer note 37 (B)	2,392	217
	2,392	217
Total other current financial liabilities	6,964	13,139

Includes ₹ 380 lakhs (March 31, 2025 : ₹ 43 lakhs) payable to related party. Refer note 39

Notes to the Standalone Financial Statements for the year ended March 31, 2026

(All amounts in ₹ lakhs, unless otherwise stated)

22 Provisions

	March 31, 2026	March 31, 2025
Non-current		
Provision for gratuity - refer note 35	7,096	4,614
	7,096	4,614
Current		
Provision for compensated absences	3,011	2,788
Provision for warranty	17	11
	3,028	2,799

23 Contract liabilities

	March 31, 2026	March 31, 2025
Unearned revenue - refer note (i) below	1,984	1,342
	1,984	1,342

(i) The Company has rendered the service and have recognised the revenue of ₹ 642 lakhs (March 31, 2025: ₹ 75 lakhs) during the year from the unearned revenue balance at the beginning of the year.

24 Trade payables

Carried at amortised cost

	March 31, 2026	March 31, 2025
Total outstanding dues of Micro enterprises and Small enterprises	520	186
Total outstanding dues of creditors other than Micro enterprises and Small enterprises	7,289	7,854
	7,809	8,040

Trade payables Ageing Schedule

As at March 31, 2026

	Outstanding for the following periods from the due date of payment					
	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Total outstanding dues of micro enterprises and small enterprises	373	147	-	-	-	520
Total outstanding dues of creditors other than micro enterprises and small enterprises	657	792	40	10	-	1,499
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	-
Provision for expenses	-	-	-	-	-	5,790
	1,030	939	40	10	-	7,809

Notes to the Standalone Financial Statements for the year ended March 31, 2026

(All amounts in ₹ lakhs, unless otherwise stated)

As at March 31, 2025

	Outstanding for the following periods from the due date of payment					
	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Total outstanding dues of micro enterprises and small enterprises	-	186	-	-	-	186
Total outstanding dues of creditors other than micro enterprises and small enterprises	14	1,534	12	5	-	1,565
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises	26	-	-	-	-	26
Provision for expenses	-	-	-	-	-	6,263
	40	1,720	12	5	-	8,040

Terms and conditions of above trade payables:

(i) Trade payables are non-interest bearing and are normally settled on 0 to 90 days terms

(ii) For explanation of company's liquidity risk - refer note 37 (D)

(iii) Disclosure required under Clause 22 of Micro, Small and Medium Enterprise Development Act, 2006 - refer below note

Disclosure required under Clause 22 of Micro, Small and Medium Enterprise Development Act, 2006

Particulars	March 31, 2026	March 31, 2025
The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year:		
Principal amount due to micro and small enterprises	520	186
Interest due on the above	*	-
(i) The amount of interest paid by the buyer in terms of Section 16 of the MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	-	-
(ii) The amount of interest due and payable for the period of delay in making payment (which has been paid but beyond appointed day during the year) but without adding the interest specified under the MSMED Act, 2006	-	-
(iii) The amount of interest accrued and remaining unpaid at the end of each accounting year	-	-
(iv) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under Section 23 of the MSMED Act, 2006	-	-

* amount below rounding off norm of the Company

Notes to the Standalone Financial Statements for the year ended March 31, 2026

(All amounts in ₹ lakhs, unless otherwise stated)

25 Other current liabilities

	March 31, 2026	March 31, 2025
Current		
Statutory dues payable	2,308	2,686
Other payables	2	42
	2,310	2,728

26 Revenue from contract with customers

	For the year ended	
	March 31, 2026	March 31, 2025
Revenue from service	172,230	158,969
Revenue from license	506	623
Gross revenue from operations	172,736	159,592
Less : cash discounts	(134)	(185)
Net revenue from operations	172,602	159,407
Revenue from service	172,096	158,784
Revenue from license	506	623
	172,602	159,407

26.1 Disaggregated revenue information

Segment	For the year ended March 31, 2026			
	Infrastructure Management & Security Services	Product and Digital Engineering Services	Generative AI Business Services	Total
Revenue from contract with customers	33,195	131,596	7,811	172,602
Total revenue from contracts with customers	33,195	131,596	7,811	172,602
India	9,757	18,160	3,106	31,023
Outside India	23,438	113,436	4,705	141,579
Total revenue from contracts with customers	33,195	131,596	7,811	172,602
Timing of revenue recognition				
Licenses transferred at a point in time	506	-	-	506
Fixed price project - services transferred over time	16,398	33,743	4,923	55,064
Time and material - services transferred over time	16,291	97,853	2,888	117,032
Total revenue from contracts with customers	33,195	131,596	7,811	172,602

Notes to the Standalone Financial Statements for the year ended March 31, 2026

(All amounts in ₹ lakhs, unless otherwise stated)

Segment	For the year ended March 31, 2025			
	Infrastructure Management & Security Services	Product and Digital Engineering Services	Generative AI Business Services	Total
Revenue from contract with customers	31,599	124,246	3,562	159,407
Total revenue from contracts with customers	31,599	124,246	3,562	159,407
India	3202	18434	1021	22,657
Outside India	28397	105812	2541	136,750
Total revenue from contracts with customers	31,599	124,246	3,562	159,407
Timing of revenue recognition				
Licenses transferred at a point in time	454	169	-	623
Fixed price project - services transferred over time	5,689	10,195	1,288	17,172
Time and material - services transferred over time	25,456	113,882	2,274	141,612
Total revenue from contracts with customers	31,599	124,246	3,562	159,407

26.2 Contract balances

	March 31, 2026	March 31, 2025
Trade receivables, net of expected credit loss	33,880	28,090
Unbilled revenue, net of expected credit loss	7,683	10,069
Contract assets	5,408	1,621
Contract liabilities	1,984	1,342

26.3 Reconciling the amount of revenue recognised in the statement of profit and loss with the contracted price

	For the year ended	
	March 31, 2026	March 31, 2025
Revenue as per contract price	173,707	160,568
Discount	(1,105)	(1,161)
Revenue from contract with customers	172,602	159,407

26.4 The Company has applied practical expedient as given in Ind AS 115 for not disclosing the remaining performance obligation for contracts that have original expected duration of one year or lesser and for contracts where the revenue recognized corresponds directly with the value to the customer of the entity's performance completed to date, typically those contracts where invoicing is on time-and-material. The Company has fixed price contracts for a period of more than one year, the remaining performance obligation for these contracts is ₹ 2,476 lakhs (March 31, 2025: ₹ 1,555 lakhs). The revenue for remaining performance obligation is expected to be recognised over period of 1-3 years (March 31, 2025: 1-3 years).

Notes to the Standalone Financial Statements for the year ended March 31, 2026

(All amounts in ₹ lakhs, unless otherwise stated)

27 Other income

	For the year ended	
	March 31, 2026	March 31, 2025
Interest income on:		
Deposits with bank	5,995	8,714
Loan to subsidiary - refer note 39	25	22
Financial instrument measured at amortised cost	60	60
Financial instrument designated as fair value hedge, net	32	-
	6,112	8,796
Fair value gain on investment measured at FVTPL	2,110	1,240
Gain on sale of investments measured at FVTPL	405	0
Exchange gain/ (loss)	(995)	(96)
Gain on property, plant and equipment sold / scrapped, net	10	16
Dividend received from subsidiary - refer note 39	9,751	3,500
Miscellaneous income	120	234
	11,401	4,894
	17,513	13,690

28 Employee benefits expense

	For the year ended	
	March 31, 2026	March 31, 2025
Salaries, wages and bonus	110,058	101,174
Contribution to provident and other funds	5,466	5,047
Share based payment expense - refer note 42	611	-
Gratuity expense - refer note 35	1,498	992
Compensated absences	965	1,145
Staff welfare expenses	656	579
	119,254	108,937

29 Depreciation and amortisation expense

	For the year ended	
	March 31, 2026	March 31, 2025
Depreciation of property, plant and equipment - refer note 3	652	643
Amortisation of intangible assets - refer note 4	1,524	1,550
Depreciation of right-of-use assets - refer note 5	2,938	2,860
	5,114	5,053

30 Finance costs

	For the year ended	
	March 31, 2026	March 31, 2025
Interest expense on:		
Borrowings	7,595	6,851
Non convertible debenture	636	1,125
Loan from Subsidiary - refer note 39	380	43
Lease liabilities- refer note 20	605	670
Unwinding of interest in contingent consideration - refer note 36	7	424
	9,223	9,113

Notes to the Standalone Financial Statements for the year ended March 31, 2026

(All amounts in ₹ lakhs, unless otherwise stated)

31 Other expenses

	For the year ended	
	March 31, 2026	March 31, 2025
Power and fuel	483	494
Subcontractor charges	10,095	9,684
Repairs and maintenance		
- Buildings	426	426
- Equipments	37	30
- Others	493	290
Rent expenses - refer note (ii) below	684	533
Advertising and business promotion expenses	813	630
Commission	56	73
Communication costs	194	200
Insurance	139	128
Legal and professional fees	1,436	1,767
Audit fees - refer note (i) below	135	123
Software license cost	6,421	5,500
Rates and taxes	130	103
Recruitment charges	1,105	593
Sitting fees to non-executive directors - refer note 39	79	70
Commission to non-executive directors - refer note 39	86	55
Corporate social responsibility ('CSR') expenditure - refer note 40	640	604
Travelling and conveyance	3,315	3,437
Postage and courier	40	42
Training expense	367	443
Miscellaneous expenses	35	152
	27,209	25,377

(i) Payment to auditors:

	For the year ended	
	March 31, 2026	March 31, 2025
As auditor:		
Audit fee	130	115
In other capacity		
Certification fees	5	8
	135	123

(ii) Rent expense recorded under other expenses are lease rental for short-term leases

Notes to the Standalone Financial Statements for the year ended March 31, 2026

(All amounts in ₹ lakhs, unless otherwise stated)

31A Impairment loss allowance

	For the year ended	
	March 31, 2026	March 31, 2025
Impairment loss allowance on trade and unbilled receivables	243	1,533
	243	1,533

32 Exceptional Items

	For the year ended	
	March 31, 2026	March 31, 2025
Loss/(Gain) on remeasurement of contingent consideration - refer note (ii) below	-	2,344
Impact of Labour Codes - refer note (i) below	2,041	-
	2,041	2,344

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

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

Considering that the impact arising from the enactment of the new legislation is non-recurring in nature, the Company has presented this incremental amount of ₹ 2,041 lakhs as "Impact of Labour Codes" under "Exceptional Items". The Company continues to monitor developments pertaining to the Labour Codes and will evaluate any further impact on the measurement of liabilities relating to employee benefits.

- (ii) On May 22, 2024, the Company acquired entire equity interest of Pure Software Technologies Private Limited ('PSTPL'), India for total consideration of ₹ 75,044 lakhs, comprising cash consideration of ₹ 64,229 lakhs, cash consideration for cancellation of share based payments of ₹ 399 lakhs and fair value of contingent consideration of ₹ 10,415 lakhs payable over next two years. The contingent consideration is indexed to EBITDA and PSTPL's revenues for the financial year 2024-25 and 2025-26.

The contingent consideration is classified as a financial liability as per Ind AS 109 'Financial Instruments' and is 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 Company has re-measured the fair value of the contingent consideration as at March 31, 2025 and the change in fair value of ₹ 2,344 lakhs has been recognised in the statement of profit and loss and disclosed as an 'Exceptional Item'.

Notes to the Standalone Financial Statements for the year ended March 31, 2026

(All amounts in ₹ lakhs, unless otherwise stated)

33 Income tax expense

	For the year ended	
	March 31, 2026	March 31, 2025
a) Statement of profit or loss		
Current tax	4,678	5,856
Deferred tax credit	(59)	(659)
Income tax expense	4,619	5,197
b) Statement of other comprehensive income		
On net movement on effective portion of cash flow hedges	938	79
On re-measurement losses on defined benefit plans	(104)	124
	834	203
Reconciliation of tax expense and tax based on accounting profit:		
Profit before income tax expense	27,031	20,740
Tax at the Indian tax rate of 25.17% (March 31, 2025: 25.17%)	6,804	5,220
Tax effect of:		
Expenses that are not deductible in determining taxable profit	163	259
Income not taxable in determining taxable profit	(2,462)	(882)
Tax impact on exceptional items	-	590
Tax impact on differential tax rates	54	81
Others	60	(71)
Income tax expense	4,619	5,197

34 Earnings per share ['EPS']

The following reflects the income and share data used in the basic and diluted EPS computations:

	For the year ended	
	March 31, 2026	March 31, 2025
Profit after tax attributable to equity holders of the Company (a) (₹ in lakhs)	22,412	15,543
Weighted average number of shares outstanding during the year for basic EPS (b)	150,575,975	15,05,68,775
Weighted average number of shares outstanding during the year for diluted EPS (c)	15,06,85,025	15,05,68,775
Basic earnings per share (in ₹) (a/b)	14.88	10.32
Diluted earnings per share (in ₹) (a/c)	14.87	10.32
Equity share reconciliation for EPS		
Equity share outstanding	150,575,975	15,05,68,775
Total considered for basic EPS	150,575,975	15,05,68,775
Add: ESOP options	109,050	-
Total considered for diluted EPS	150,685,025	15,05,68,775

Notes to the Standalone Financial Statements for the year ended March 31, 2026

(All amounts in ₹ lakhs, unless otherwise stated)

35 Employee benefits plan

(i) Defined contribution plans - Provident Fund and others

The Company makes contributions for qualifying employees to Provident Fund and other defined contribution plans. During the year, the Company recognised ₹ 5,466 lakhs (March 31, 2025 : ₹ 5,047 lakhs) towards defined contribution plans.

(ii) Defined benefit plans (funded):

The Company provides for gratuity for employees in India as per the Payment of Gratuity (Amendment) Act, 2018 and the provisions of the Code on Social Security, 2020. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/ termination is the employees last drawn basic wages per month computed proportionately for 15 days salary multiplied for the number of years of service. The Gratuity plan of the Company is funded with qualifying Insurance Company.

Gratuity is a defined benefit plan and Company is exposed to the following risks:

Interest risk	A decrease in the bond interest rate will increase the plan liability.
Investment risk	The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds. If the return on plan asset is below this rate, it will create a plan deficit. Currently, for the plan in India, it has a relatively balanced mix of investments in government securities and other debt instruments.
Salary risk	The present value of the defined benefit plan liability is calculated by reference to the future salaries of members. As such, an increase in the salary of the members more than assumed level will increase the plan's liability.
Longevity risk	Since the benefits under the plan is not payable for life time and payable till retirement age only, plan does not have any longevity risk.
Concentration risk	Plan is having a concentration risk as all the assets are invested with the insurance company.

	March 31, 2026	March 31, 2025
Current	-	-
Non-current	7,096	4,614
	7,096	4,614

The following table sets out movement in defined benefits liability and the amount recognised in the financial statements:

Changes in the defined benefit obligation and fair value of plan assets for the year ended March 31, 2026:

	Defined benefit obligation (A)	Fair value of plan assets (B)	Net amount (A-B)
As at April 1, 2025	5,353	745	4,608
Current service cost	1,148	-	1,148
Net interest expense	398	48	350
Past service cost	2,041	-	2,041
Total amount recognised in statement of profit and loss	3,587	48	3,539
Benefits paid	(670)	(612)	(58)
Remeasurement			
Return on plan assets	-	(36)	36
Actuarial (gains)/losses arising from changes in demographic assumptions	(114)	-	(114)

Notes to the Standalone Financial Statements for the year ended March 31, 2026

(All amounts in ₹ lakhs, unless otherwise stated)

	Defined benefit obligation (A)	Fair value of plan assets (B)	Net amount (A-B)
Actuarial (gains)/losses arising from changes in financial assumptions	(659)	-	(659)
Experience adjustments	323	-	323
Translation adjustment	17	-	17
Total amount recognised in other comprehensive income	(433)	(36)	(397)
Contributions by employer	-	596	(596)
As at March 31, 2026	7,837	741	7,096

Changes in the defined benefit obligation and fair value of plan assets for the year ended March 31, 2026:

	Defined benefit obligation (A)	Fair value of plan assets (B)	Net amount (A-B)
As at April 1, 2024	4,311	902	3,409
Current service cost	749	-	749
Net interest expense	308	65	243
Total amount recognised in statement of profit and loss	1,057	65	992
Benefits paid	(514)	(509)	(5)
Remeasurement			
Return on plan assets	-	(1)	1
Actuarial (gains)/losses arising from changes in demographic assumptions	258	-	258
Actuarial (gains)/losses arising from changes in financial assumptions	(36)	-	(36)
Experience adjustments	284	-	284
Total amount recognised in other comprehensive income	506	(1)	506
Contributions by employer	-	288	(288)
As at March 31, 2025	5,359	745	4,614

The major categories of plan assets of the fair value of the total plan assets are as follows:

	March 31, 2026	March 31, 2025
Insurance fund	741	745
Total	741	745

The principal assumptions used in determining gratuity benefit obligations for the company's plans are shown below:

	March 31, 2026	March 31, 2025
Discount rate	4.60% - 6.77%	4.60% - 6.55%
Expected return on plan assets	6.77%	6.55%
Future salary increases	2.5% p.a.-5% p.a	4% p.a.-7% p.a
Employee turnover	20.01%	18.00%
Mortality	Indian Assured Lives Mortality 2012-14 (Urban)	Indian Assured Lives Mortality 2012-14 (Urban)

Notes to the Standalone Financial Statements for the year ended March 31, 2026

(All amounts in ₹ lakhs, unless otherwise stated)

Sensitivity Level		March 31, 2026		March 31, 2025	
		Defined benefit obligation on increase/decrease in assumptions			
		Increase	Decrease	Increase	Decrease
Discount rate	1% increase / decrease	(271)	294	(227)	249
Future salary increase	1% increase / decrease	279	(267)	235	(222)
Attrition rate	1% increase / decrease	(16)	15	(37)	38

The above sensitivity analyses are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognised in the balance sheet.

The following payments are expected cash flows to the defined benefit plan in future years:

Expected contributions to defined benefits plan for the year ended March 31, 2026 is ₹ 240 lakhs (March 31, 2025 : ₹ 466 lakhs). The weighted average duration of the defined benefit plan obligation at the end of the reporting period is 5 years (March 31, 2025: 6 years). The expected maturity analysis of undiscounted gratuity is as follows:

	March 31, 2026	March 31, 2025
Within the next 12 months	1,355	779
Between 2 and 5 years	4,531	2,794
Between 6 and 10 years	2,878	2,189
Beyond 10 years	31	1,792

36 Fair value measurement

i) The carrying value of financial assets by categories is as follows:

	March 31, 2026	March 31, 2025
Measured at fair value through other comprehensive income (FVOCI)		
Foreign currency forward contracts	7	235
Cross currency interest rate swap	20	241
Total financial assets measured at FVOCI	27	476
Measured at fair value through statement of profit and loss (FVTPL)		
Investment in mutual funds	50,352	35,039
Total financial assets measured at FVTPL	50,352	35,039
Measured at amortised cost		
Investment in subsidiary	79,958	78,307
Security deposits	1,210	987
Loans to employees	8	10
Loans to related parties	-	1,250
Other financial assets	41,214	19,264
Trade receivables	33,880	28,090
Bank and bank balance other than cash and cash equivalents	79,055	93,912
Cash and cash equivalents	5,764	4,596
Total financial assets measured at amortised cost	241,089	226,417
Total financial assets	291,468	261,932

Notes to the Standalone Financial Statements for the year ended March 31, 2026

(All amounts in ₹ lakhs, unless otherwise stated)

ii) The carrying value of financial liabilities by categories is as follows:

	March 31, 2026	March 31, 2025
Measured at fair value through statement of profit and loss (FVTPL)		
Contingent consideration	144	8,855
Term loan from bank	24,420	-
Fair value hedges		
Interest rate swap	438	-
Total financial liabilities measured at FVTPL	25,002	8,855
Measured at fair value through other comprehensive income (FVOCI)		
Foreign currency forward contracts	2,392	217
Cross currency interest rate swap	1,715	612
Total financial liabilities measured at FVOCI	4,106	830
Measured at amortised cost		
Term loan from bank	9,445	34,505
Redeemable non-convertible debentures	8,000	8,000
Foreign currency loan (PCFC)	23,471	22,654
Loan from subsidiary	1,700	350
Bank Overdraft	68,344	44,778
Lease liabilities	6,697	7,351
Trade payables	7,809	8,040
Other financial liabilities	4,406	4,067
Total financial liabilities measured at amortised cost	129,872	129,745
Total financial liabilities	158,980	139,430

iii) Fair value hierarchy

The following table provides the fair value measurement hierarchy of the Company's assets and liabilities:

	Quoted prices in active market (Level 1)	Significant observable inputs (Level 2)	Significant Unobservable inputs (Level 3)	Total
	March 31, 2026			
Financial assets measured at fair values				
Measured at fair value through other comprehensive income (FVOCI)				
Foreign currency forward contracts	-	7	-	7
Cross currency interest rate swap	-	20	-	20
Measured at fair value through statement of profit and loss (FVTPL)				
Investment in mutual funds	50,352	-	-	50,352
Total financial asset measured at fair value	50,352	27	-	50,379
Financial liabilities measured at fair values				
Measured at fair value through other comprehensive income (FVOCI)				
Foreign currency forward contracts	-	2,392	-	2,392
Cross currency interest rate swap	-	1,715	-	1,715
Measured at fair value through statement of profit and loss (FVTPL)				
Contingent consideration	-	-	144	144
Term loan from bank	-	24,420	-	24,420
Fair value hedges				
Interest rate swap	-	438	-	438
Total financial liabilities measured at Fair value	-	28,965	144	29,109

Notes to the Standalone Financial Statements for the year ended March 31, 2026

(All amounts in ₹ lakhs, unless otherwise stated)

	Quoted prices in active market (Level 1)	Significant observable inputs (Level 2)	Significant Unobservable inputs (Level 3)	Total
March 31, 2025				
Financial assets and liabilities measured at fair values				
Measured at fair value through other comprehensive income (FVOCI)				
Foreign currency forward contracts	-	235	-	235
Cross currency interest rate swap	-	241	-	241
Measured at fair value through statement of profit and loss (FVTPL)				
Investment in mutual funds	35,039	-	-	35,039
Total financial asset measured at fair value	35,039	476	-	35,515
Measured at fair value through other comprehensive income (FVOCI)				
Foreign currency forward contracts	-	217	-	217
Cross currency interest rate swap	-	612	-	612
Measured at fair value through statement of profit and loss (FVTPL)				
Contingent consideration	-	-	8,855	8,855
Total financial liabilities measured at Fair value	-	830	8,855	9,685

Notes:

The fair value of the financial assets and liabilities are measured at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values:

- The fair value of liquid mutual funds is based on the net assets value (NAV) as declared by the fund house.
- The Company has entered into foreign currency forward contract and Cross currency interest rate swap (CCIRS) to hedge the highly probable forecasted transactions. The derivative financial instrument is entered with the financial institutions with investment grade ratings. Foreign exchange forward contracts and CCIRS are valued based on valuation models which include use of market observable inputs. The mark to market valuation is provided by the financial institution as at reporting date. The valuation of derivative contracts are categorised as level 2 in fair value hierarchy disclosure.
- The Company has entered into interest rate swap contracts to hedge the fair value of a fixed rate borrowing. The derivative financial instrument is entered with the financial institutions with investment grade ratings and are valued based on valuation models which include use of market observable inputs. The valuation of derivative contracts are categorised as level 2 in fair value hierarchy disclosure.
- The management assessed that cash and cash equivalent, trade receivables, trade payables, other financial assets (current), other financial liability (current), bank overdraft and cash credit, lease liabilities (current) and loans to employees approximates their fair value largely due to short-term maturities of these instruments.
- The Company has valued contingent consideration by using the monte carlo simulation approach for the year March 31, 2025. In the current year, the Company has executed an agreement to finalise the amount payable towards the contingent consideration based on the achievement of agreed performance conditions. The contingent consideration has been measured at the amount so agreed.
- The fair value of remaining financial instruments are determined on transaction date based on discounted cash flows calculated using lending/ borrowing rate. Subsequently, these are carried at amortized cost. The carrying amount of the remaining financial instruments are the reasonable approximation of their fair value.

For financial assets carried at fair value, their carrying amount are equal to their fair value.

Notes to the Standalone Financial Statements for the year ended March 31, 2026

(All amounts in ₹ lakhs, unless otherwise stated)

iv) Valuation Inputs and relationship to fair value

- During the year, the contingent consideration arising the acquisition of PSTPL have been finalised based on the achievement of agreed performance conditions. Accordingly, the fair value of these financial liabilities as at March 31, 2026 amounts to ₹ 104 lakhs. and there is no further estimation uncertainty associated with these instruments.

The outstanding liabilities as at March 31, 2026 are fixed and determinable, and the same are scheduled to be settled on August 31, 2026.

The key valuation inputs in relation to valuation of Level 3 instruments as at March 31, 2025 are given below:

(b)	Level 3 inputs	Weighted range	Sensitivity
March 31, 2025			
Contingent consideration	Standard deviation on revenue and EBIDTA growth	5%	Increase and decrease in standard deviation by 1% would decrease and increase contingent consideration by ₹ 42 lakhs and ₹ 78 lakhs respectively.
	Discount rate	7.07%	Increase and decrease in discount rate by 1% would decrease and increase contingent consideration by ₹ 46 lakhs and ₹ 45 lakhs respectively.

v) Reconciliation of Contingent consideration measured at FVTPL

	March 31, 2026	March 31, 2025
As at April 1	8,855	1,389
Acquisition of subsidiary	-	6,150
Amount recognised in profit and loss statement - refer note 30	7	424
Loss on de-recognition/fair valuation of contingent consideration - refer note 32	-	2,344
Settlement during the year	(8,965)	(1,400)
Exchange rate fluctuation	247	(52)
As at March 31	144	8,855

37 Financial risk management

The Company's principal financial liabilities comprise of borrowings, lease obligation, trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include security deposits, investments, trade and other receivables and cash and cash equivalents that is derived directly from its operations. The Company also enters into derivative transactions for hedging purpose.

The Company's activities exposes it to market risk, liquidity risk and credit risk. The Company's risk management is carried out by the management under the policies approved by the Board of Directors that help in identification, measurement, mitigation and reporting all risks associated with the activities of the Company. These risks are identified on a continuous basis and assessed for the impact on the financial performance. All derivative activities for risk management purposes are carried out by specialist teams that have the appropriate skills, experience and supervision. It is the Company's policy that no trading in derivatives for speculative purposes will be undertaken. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarized below.

Notes to the Standalone Financial Statements for the year ended March 31, 2026

(All amounts in ₹ lakhs, unless otherwise stated)

A) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises two types of risk: interest rate risk and currency risk. Financial instruments affected by market risk include loans and borrowings, deposits, investments, and derivative financial instruments.

i. Foreign currency risk

The Company operates in various geographies and its business is transacted in multiple currencies resulting in exposure to foreign exchange risk. The exchange risk primarily arises from foreign currency revenue, highly probable forecasted revenue, receivables, cash and cash equivalents, deposits, investments, payables, loans and borrowings.

While the Company transacts in various currencies, significant portion of the Company's revenue is in USD, GBP and EUR and large portion of the costs are in Indian Rupees. The exchange rate between Indian Rupee and these currencies has fluctuated significantly during the year and may continue to do so in the future. Appreciation / depreciation of Indian Rupee against these currencies can significantly affects the Company's operating results.

The Company evaluates those exchange risk and mitigates it by entering into foreign currency forward contracts to hedge the highly probable forecasted revenue.

The Company has designated the forward contract derivatives as cash flow hedge and accordingly has adopted hedge accounting."

a) The Company's exposure in foreign currency at the end of reporting period :

Currency Particulars		Amount in Lakhs			
		March 31, 2026		March 31, 2025	
		FC	₹	FC	₹
Financial assets					
USD	Trade receivables	244	23,148	230	19,658
	Loans	*	*	15	1,246
	Other financial assets	57	5,397	87	7,423
	Bank accounts	28	2,645	35	3,018
	Other Assets	8	782	10	849
	Net exposure on foreign currency risk (assets)	337	31,972	377	32,194
Financial liability					
	Borrowings	248	23,470	260	22,194
	Trade payables	31	2,941	34	2,882
	Other financial liabilities	5	489	10	826
	Other liabilities	0	47	8	646
	Net exposure on foreign currency risk (liabilities)	284	26,947	312	26,548
	Net exposure on foreign currency risk (assets-liabilities)	53	5,025	65	5,646
EURO	Financial assets				
	Trade receivables	24	2,607	23	2,082
	Other financial assets	1	160	6	515
	Bank accounts	1	94	0	9
	Other assets	0	21	*	*
	Net exposure on foreign currency risk (assets)	26	2,882	29	2,606

Notes to the Standalone Financial Statements for the year ended March 31, 2026

(All amounts in ₹ lakhs, unless otherwise stated)

Currency Particulars		Amount in Lakhs			
		March 31, 2026		March 31, 2025	
		FC	₹	FC	₹
Financial liability					
	Trade payables	*	49	*	*
	Borrowings	*	*	5	460
	Other liabilities	*	47	0	37
	Net exposure on foreign currency risk (liabilities)	-	96	5	497
	Net exposure on foreign currency risk (assets-liabilities)	26	2,786	23	2,109
Financial assets					
GBP	Trade receivables	4	485	4	458
	Loans	0	6	0	29
	Other financial assets	1	131	2	227
	Bank accounts	3	352	5	541
	Other assets	*	36	*	*
	Net exposure on foreign currency risk (assets)	8	1,010	11	1,255
Financial liability					
	Trade payables	1	76	0	44
	Other financial liabilities	5	612	6	660
	Other liabilities	4	354	1	81
	Net exposure on foreign currency risk (liabilities)	10	1,042	7	785
	Net exposure on foreign currency risk (assets-liabilities)	(2)	(32)	4	470

The Company enters into derivative financial instruments such as foreign currency forward contracts and Cross currency interest rate swaps to mitigate the risk of changes in exchange rates. Details of the derivative contracts held by the Company are included in Note 37(B)

* Represents number below rounding off norms of the Company.

b) The sensitivity of profit or loss to changes in foreign exchange rates arising mainly from foreign currency denominated financial instrument:

	Impact on profit before tax	
	March 31, 2026	March 31, 2025
USD sensitivity		
₹/ USD increases by 5%	251	282
₹/ USD decreases by 5%	(251)	(282)
EURO sensitivity		
₹/ EURO increases by 5%	139	105
₹/ EURO decreases by 5%	(139)	(105)
GBP sensitivity		
₹/ GBP increases by 5%	(2)	23
₹/ GBP decreases by 5%	2	(23)

* Sensitivity is calculated holding all other variables constant

In management's opinion, the sensitivity analysis is unrepresentative of the inherent foreign exchange risk as the year end exposure does not reflect the exposure during the year.

Notes to the Standalone Financial Statements for the year ended March 31, 2026

(All amounts in ₹ lakhs, unless otherwise stated)

ii. Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

a) Borrowings

The Company's exposure to the interest rate risk primarily arises from the floating rate borrowings including working capital loans and other revolving line of credit.

During the current year, the Company has entered into Interest Rate Swap (IRS) to mitigate the interest rate risk on its fixed rate borrowings. The Company has designated the interest rate swap as fair value hedge. Under the swap arrangement, Company receives fixed interest rate and pays floating interest benchmarked to 1M Tbill + spread, thereby converting fixed rate borrowing into floating rate borrowing.

The Company assesses the hedge effectiveness prospectively and retrospectively and expects the hedge relationship to remain highly effective throughout the hedge period

Sensitivity:

Floating rate borrowings are short term in nature, hence sensitivity has not been disclosed. The fixed rate borrowing is designated in a fair value hedge and hence does not cause any variability.

b) Investments:

Company's investment are primarily in medium to long term debt mutual funds, which is exposed to significant interest rate risk. The Company mitigates the same by diversifying its portfolio across multiple schemes.

Sensitivity:

The sensitivity of profit or loss to change in Net assets value (NAV) as at year end for investment in mutual funds.

	Impact on profit before tax	
	March 31, 2026	March 31, 2025
NAV increases by 5%	2,518	1,752
NAV decreases by 5%	(2,518)	(1,752)

B) Impact of Hedge activities

(i) The following provides the details of hedging instrument and its impact on balance sheet

	March 31, 2026					
	Maturity	Currency	Notional Amount (Foreign Currency)	Contracted amount in ₹	Line item in the balance sheet	Fair value* gain/ (loss)
Cash flow hedge of Foreign currency risk						
(for highly probable forecast transactions)						
- Foreign currency forward contracts	< 1 year	₹/USD	553	50,710	Other financial assets/ (liabilities)	(2,392)
- Foreign currency forward contracts	< 1 year	₹/EURO	5	5,668	Other financial assets/ (liabilities)	7
- Cross currency interest rate swaps	<1 year	₹/USD	14	1,103	Other financial assets/ (liabilities)	(1,695)

Notes to the Standalone Financial Statements for the year ended March 31, 2026

(All amounts in ₹ lakhs, unless otherwise stated)

	March 31, 2026					
	Maturity	Currency	Notional Amount (Foreign Currency)	Contracted amount in ₹	Line item in the balance sheet	Fair value* gain/ (loss)
	1-5 year	₹/USD	73	5,854	Other financial assets/ (liabilities)	
	> 5year	₹/USD	32	2,553	Other financial assets/ (liabilities)	
Fair value hedge						
- Interest rate swap	<1 year	₹	-	24,900	Other financial assets/ (liabilities)	(22)
	1-5 year	₹	-		Other financial assets/ (liabilities)	(416)

	March 31, 2025					
	Maturity	Currency	Notional Amount (Foreign Currency)	Contracted amount in ₹	Line item in the balance sheet	Fair value* gain/ (loss)
Cash flow hedge of Foreign currency risk						
(for highly probable forecast transactions)						
- Foreign currency forward contracts	< 1 year	₹/USD	447	38,503	Other financial assets/ (liabilities)	(39)
- Foreign currency forward contracts	< 1 year	₹/EURO	21	2,024	Other financial assets/ (liabilities)	57
- Cross currency interest rate swaps	<1 year	₹/USD	12	968	Other financial assets/ (liabilities)	(372)
	1-5 year	₹/USD	87	6,957	Other financial assets/ (liabilities)	
	> 5year	₹/USD	32	2,553	Other financial assets/ (liabilities)	

* represents the impact of mark to market value at year end.

Notes to the Standalone Financial Statements for the year ended March 31, 2026

(All amounts in ₹ lakhs, unless otherwise stated)

	Foreign currency forward contracts	Cross currency interest rate swaps	Total
Balance as at April 01, 2024	33	(61)	(28)
Hedge gain/(loss) recognised in OCI	18	(372)	(354)
Amount reclassified from OCI to statement of profit and loss	(43)	82	39
Income tax effect	6	73	79
Balance as at March 31, 2025	14	(278)	(264)
Hedge gain/(loss) recognised in OCI	(2,385)	(1,695)	(4,080)
Amount reclassified from OCI to statement of profit and loss	(18)	372	354
Income tax effect	605	333	938
Balance as at March 31, 2026	(1,784)	(1,268)	(3,052)

Amounts reclassified from the OCI is recognised in foreign exchange gain or loss in Statement of Profit and Loss.

C) Credit risk

Credit risk is the risk that counter party will not meet its obligations under a financial instruments or customer contract leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables, unbilled revenue and contract assets) and from its investing activities (primarily deposits with banks).

(i) Trade receivables, unbilled revenue and contract assets.

Trade receivables, unbilled revenue and contract assets are typically unsecured and derived from revenue from contracts with customers. Customer credit risks is managed by each business units subject to Company's policy and procedures which involves continuously monitoring the credit worthiness of customers to which the Company grants/credits in the normal course of business. The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivable. Under the simplified approach, the Company does not track changes in credit risk. Rather, it recognizes impairment loss allowance based on lifetime expected credit losses at each reporting date, right from initial recognition. The company uses a provision matrix to determine impairment loss allowance on the portfolio of trade receivables. The provision matrix takes into account available external and internal credit risk factors and the Company's historical experience with customers.

Reconciliation of loss allowance - trade receivables	March 31, 2026	March 31, 2025
Opening balance as at April, 1	(1,953)	(858)
Allowance made during the year (net) - refer note 31A	(274)	(1,575)
Utilised during the year	1,360	477
Exchange gain/ (loss)	(52)	2
Closing balance as at March, 31	(919)	(1,953)
Reconciliation of loss allowance - unbilled revenue and other financial assets	March 31, 2026	March 31, 2025
Opening balance as at April, 1	(203)	(254)
Allowance made during the year - refer note 31A	31	51
Closing balance as at March, 31	(172)	(203)

Notes to the Standalone Financial Statements for the year ended March 31, 2026

(All amounts in ₹ lakhs, unless otherwise stated)

Other financial assets and cash deposit

Credit risk from balances with the banks, loans, investments in mutual funds and other financial assets are managed by the company based on the company policy and is managed by the Company's Treasury Team. Investment of surplus fund is made only with approved counterparties. The Company's maximum exposure to credit risk is the carrying amount of such assets as disclosed in note 37 above.

D) Liquidity risk

Liquidity risk is the risk that the Company may not be able to meet its present and future cash and collateral obligations without incurring unacceptable losses. The Company's objective is to, at all times maintain optimum levels of liquidity to meet its cash and collateral requirements. The Company closely monitors its position and maintains adequate source of financing.

As of the end of the reporting period, the Company has access to undrawn borrowing facilities amounting to ₹ 32,135 lakhs (March 31, 2025: ₹ 21,370 lakhs).

The table below summarises the maturity profile of the Company's financial liabilities at the reporting date. The amounts are based on contractual undiscounted payments.

Particulars	On demand	Less than 1 year	More than 1 year	Total
As at March 31, 2026				
Borrowings (including current maturities)	78,044	29,208	28,127	135,379
Lease liabilities	-	3,309	4,112	7,421
Trade payables	-	7,769	40	7,809
Contingent consideration	-	166	-	166
Foreign currency forward contracts	-	2,392	1,715	4,107
Other current financial liabilities #	-	6,714	-	6,714
	78,044	49,558	33,994	161,596
As at March 31, 2025				
Borrowings (including current maturities)	52,778	23,972	33,537	110,287
Lease liabilities	-	3,355	4,794	8,149
Trade payables	-	8,028	12	8,040
Contingent consideration	-	9,934	-	9,934
Foreign currency forward contracts	-	217	612	829
Other current financial liabilities #	-	6,752	-	6,752
	52,778	52,258	38,955	143,991

Includes future interest payable on outstanding borrowings

38 Capital management

For the purpose of the Company's capital management, capital includes issued equity capital, convertible preference shares, securities premium and all other equity reserves. The primary objective of the Company's capital management is to maintain a strong capital base to ensure sustained growth in business and to maximize the shareholders value. The capital management focuses to maintain an optimal structure that balances growth and maximizes shareholder value.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Company includes within net debt, interest bearing loans and borrowings, less cash and cash equivalents. The Company's gearing ratio, which is net debt divided by total capital plus net debt is as below:

Notes to the Standalone Financial Statements for the year ended March 31, 2026

(All amounts in ₹ lakhs, unless otherwise stated)

Particulars	March 31, 2026	March 31, 2025
Borrowings (including current maturities)	135,380	110,287
Less : Cash and cash equivalents	(5,764)	(4,596)
Net (cash and cash equivalents)/debt (A)	129,616	105,690
Equity	163,660	152,443
Total equity capital (B)	163,660	152,443
Total debt and equity (C)=(A)+(B)	293,276	258,133
Gearing ratio (A)/(C)	44%	41%

No changes were made in the objectives, policies or processes for managing capital during the year ended March 31, 2026 and March 31, 2025.

39 Related party disclosure

(i) List of related parties and relationship

Key management personnel (KMP)	1. Mr. Ashok Soota (Chairman & Chief Mentor)
	2. Mr. Venkatraman Narayanan (Managing Director)
	3. Mr. Joseph Vinod Anantharaju (Co-Chairman & CEO)
	4. Mr. Rajiv Indravadan Shah (Director)
	5. Mr. Praveen Darshankar (Company Secretary & Compliance Officer)
	6. Mrs. Anita Ramachandran (Independent director)
	7. Mr. Rajendra Kumar Srivastava (Independent director)
	8. Mrs. Shuba Rao Mayya (Independent director)
	9. Mr. Seshashayee Sampathiyengar Sridhara (Independent Director)
	10. Mr. Anand Balakrishnan (Chief Financial Officer w.e.f. 12.06.2026)
Wholly owned subsidiaries	1. Happiest Minds Inc
	2. PureSoftware Technologies Private Limited (w.e.f 22.05.2024)
	3. PureSoftware Pte Limited (Singapore)
	4. PureSoftware Private Limited (UK)
	5. PureSoftware Corp (USA)
	6. PureSoftware Sdn. Bhd. (Malaysia)
	7. PureSoftware Technology S. De. R. L. De. C.V., (Mexico)
	8. PureSoftware HK Limited (Hongkong)
	9. PureSoftware Africa Limited (Kenya)
	10. PureSoftware Technologies Romania SRL (Romania)
	11. PureSoftware Private Limited (Nepal)
	12. Aureus Tech Systems Private Limited (w.e.f 24.05.2024)
	13. Aureus Tech Systems Canada Ltd (w.e.f 24.05.2024)
	14. InnovazIT Technologies LLC (w.e.f 01.02.2025)
	15. GAVS Technologies LLC (w.e.f 01.02.2025)
	16. GAVS Technologies Saudi Arabia for Telecommunications and Information Technology (w.e.f 01.02.2025)

Notes to the Standalone Financial Statements for the year ended March 31, 2026

(All amounts in ₹ lakhs, unless otherwise stated)

Relatives of KMP	1. Mr. Suresh Soota
	2. Mr. Deepak Soota
	3. Ms. Kunku Soota
	4. Mrs. Usha Samuel
	5. Mrs. Jayalakshmi Venkatraman
	6. Ms. Veena Soota
Entities under the control of KMP	SKAN Research Trust
	Happiest Health Systems Private Limited
	Ashok Soota Medical Research LLP
Post employment benefit plan (PEBP)	Happiest Minds Technologies Pvt. Ltd. Employees group gratuity trust
	Sri Mookambika Infocom Solutions Gratuity Trust

a) The following table is the summary of significant transactions with related parties by the Company:

	March 31, 2026	March 31, 2025
(i) Sale of service		
Happiest Minds Inc.	3,706	3,706
SKAN Research Trust	1,998	1,110
PureSoftware Technologies Private Limited	316	72
Ashok Soota Medical Research LLP	644	19
Happiest Health Systems Private Limited	7,095	1,760
(ii) Receipt of service		
PureSoftware Technologies Private Limited	107	-
(iii) Director's sitting fees:		
Mrs. Anita Ramachandran	22	23
Mr. Rajendra Kumar Srivastava	24	21
Mrs. Shuba Rao Mayya	20	22
Mr. Seshashayee Sampathiyengar Sridhara	13	8
(iv) Commission to directors		
Mrs. Anita Ramachandran	18	7
Mr. Rajendra Kumar Srivastava	21	14
Mrs. Shuba Rao Mayya	20	8
Mr. Seshashayee Sampathiyengar Sridhara	27	22
(v) Contribution made to post employee benefit plan:		
Happiest Minds Technologies Pvt. Ltd. Employees group gratuity trust	596	288
(vi) Loans taken		
PureSoftware Technologies Private Limited	23,750	3,500
(vii) Loans repayment		
PureSoftware Technologies Private Limited	22,400	3,150
Happiest Minds Inc.	1,250	-
(viii) Loans given		
Happiest Minds Inc.	-	1,250
(ix) Interest income on Loans given		
Happiest Minds Inc.	25	22

Notes to the Standalone Financial Statements for the year ended March 31, 2026

(All amounts in ₹ lakhs, unless otherwise stated)

	March 31, 2026	March 31, 2025
(x) Legal and professional fees		
Happiest Health Systems Private Limited	75	62
xi) Advertising and business promotion expenses		
Happiest Health Systems Private Limited	139	43
(xii) Dividend received		
Happiest Minds Inc.	1,751	-
PureSoftware Technologies Private Limited	8,000	3,500
(xiii) Interest expense on Loans taken		
PureSoftware Technologies Private Limited	380	43
(xiv) Investment in Subsidiary		
Aureus Tech Systems Private Limited	1,624	-
(xv) Managerial remuneration# :		
Mr. Venkatraman Narayanan		
Salary, wages and bonus	356	171
Share based payment expenses	81	-
Mr. Ashok Soota		
Salary, wages and bonus	397	182
Mr. Praveen Darshankar		
Salary, wages and bonus	67	63
Share based payment expenses	6	-
Mr. Joseph Vinod Anantharaju		
Salary, wages and bonus	578	432
Share based payment expenses	135	-
Mr. Rajiv Shah		
Salary, wages and bonus	198	365
Mr. Anand Balakrishnan		
Salary, wages and bonus	113	-
xvi) Dividend paid		
Mr. Joseph Vinod Anantharaju	23	24
Mr. Ashok Soota	3,078	3,129
Mr. Venkatraman Narayanan	17	28
Ashok Soota Medical Research LLP	1,122	1,032
Deepak Soota	2	3
Kunku Soota	1	1
Usha Samuel	5	4
Praveen Kumar Darshankar	3	3
Rajiv Shah	8	10
Veena Soota	1	1
Mr. Anand Balakrishnan	*	-

#As the liability for gratuity and compensated leave absences is provided on an actuarial basis for the Company as a whole, the amount pertaining to the directors are not included above.

* amount below rounding off norm of the Company

Notes to the Standalone Financial Statements for the year ended March 31, 2026

(All amounts in ₹ lakhs, unless otherwise stated)

b) The balances receivable from and payable to related parties are as follows :

	March 31, 2026	March 31, 2025
(i) Trade receivables:		
Happiest Minds Inc.	1,731	1,787
SKAN Research Trust	123	470
Happiest Health Systems Private Limited	2,027	464
PureSoftware Technologies Private Limited	45	-
Ashok Soota Medical Research LLP	370	6
(ii) Unbilled receivables:		
SKAN Research Trust	498	49
Ashok Soota Medical Research LLP	236	-
Happiest Health Systems Private Limited	3,560	204
(iii) Accrued interest on Loans given		
Happiest Minds Inc.	25	-
(iv) Accrued interest on Loans taken		
PureSoftware Technologies Private Limited	380	43
(v) Trade payables		
Happiest Health Systems Private Limited	26	-
PureSoftware Technologies Private Limited	6	21
(vi) Commission payables		
Mrs. Anita Ramachandran	18	7
Mr. Rajendra Kumar Srivastava	21	14
Mrs. Shuba Rao Mayya	20	8
Mr. Seshashayee Sampathiyengar Sridhara	27	22
* amount below rounding off norm of the Company		
(vii) Loan payables		
PureSoftware Technologies Private Limited	1,700	350
(viii) Loan given		
Happiest Minds Inc.	-	1,250
(ix) Other receivables		
PureSoftware Technologies Private Limited	290	134
Happiest Minds Inc.	5,462	591
GAVS Technologies LLC	1	-
Innovaz IT Technologies LLC	2	-
GAVS Technologies Saudi Arabia for Telecommunications and Information Technology	6	-
Aureus Tech Systems Private Limited	313	331

Terms and conditions of transactions with related parties:

- The sales to and purchases from related parties are made on terms equivalent to those that prevail in arm's length transactions.
- During the previous financial year, the Company availed a loan of ₹ 1,250 lakhs (USD 1.46 million) from Happiest Minds Inc. at an interest rate linked to overnight SOFR plus a spread. The loan was fully repaid during the current financial year. (refer note 7)

Notes to the Standalone Financial Statements for the year ended March 31, 2026

(All amounts in ₹ lakhs, unless otherwise stated)

- (iii) During the current year, the Company has provided a corporate guarantee in favour of Citibank NA on behalf of Happiest Minds Inc. for an amount of ₹ 7,586 Lakhs (USD 8 million) for the term loan taken by Happiest Minds Inc. (refer note 41)
- (iv) Loan from PureSoftware Technologies Private Limited of ₹ 8,850 Lakhs carries an interest rate of 7.90% p.a.outstanding balance as on 31.03.26 is ₹ 1,700 Lakhs. (refer note 19)
- (v) The rate of interest applicable shall be equal to the RBI repo rate as at the date if the loan plus 140 basis points. The average interest rate for the period outstanding for the year is 7.90%.
- (vi) All other outstanding balances at the year-end are unsecured, interest free and settlement occurs in cash. There have been no guarantees provided or received for any related party receivables or payables expect as mentioned in (iii) above. For the year ended 31 March 2026, the Company has not recorded any impairment of receivables relating to amounts owed by related parties (31 March 2025: Nil). This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

40 Corporate Social Responsibility ('CSR') expenditure

Details of CSR expenditure are as follows:

	March 31, 2026	March 31, 2025
(a) Gross amount required to be spent by the Company during the year	576	589
(b) Amount approved by the board to be spent during the year	640	604
(c) Amount spent during the year ending on March 31, 2026 :	In cash	Yet to be paid in cash
i) Construction/ Acquisition of any asset	-	-
ii) On purpose other than above	619	-
(d) Amount spent during the year ending on March 31, 2025 :	In cash	Yet to be paid in cash
i) Construction/ Acquisition of any asset	-	-
ii) On purpose other than above	434	170
(e) Details related to spent/ unspent obligations:	March 31, 2026	March 31, 2025
i) Contribution to Public Trust	-	-
ii) Contribution to Charitable Trust	619	434
ii) Unspent amount in relation to:		
- Ongoing project	-	170
- Other than ongoing project	-	-
	619	604

Details of ongoing project and other than ongoing project

In case of S. 135(6) (Ongoing Project)						
Opening balance		Amount required to be spent during the year	Amount spent during the year		Closing balance	
With Company	In Separate CSR unspent A/c		From Company's bank A/c	From separate CSR unspent A/c	With Company	In separate CSR unspent A/c
125	-	576	619	-	82	-
In case of S. 135(5) (Excess amount spent)						
Opening balance		Amount required to be spent during the year	Amount spent during the year		Closing balance	
(51)			576	619	(94)	

Notes to the Standalone Financial Statements for the year ended March 31, 2026

(All amounts in ₹ lakhs, unless otherwise stated)

41 Commitments and Contingent Liabilities

i) Contingent liabilities:

Particulars	March 31, 2026	March 31, 2025
(a) Claims against the Company, not acknowledged as debts (including interest and penalty)		
Goods and Service Tax - denial of input tax credit on expenses and difference in GSTR-3B and GSTR-1	836	836
(b) Guarantees given by the Company on behalf of its wholly owned Subsidiary	7,586	-

ii) Capital Commitments

Particulars	March 31, 2026	March 31, 2025
Capital commitments towards purchase of capital assets	2,366	892

iii) Other claims against the Company not provided for in the books

- a) The Company is also subject to certain other claims and suits that arise from time to time in the ordinary conduct of its business. While the Company currently believes that such claims, individually or in aggregate, will not have a material adverse impact on its financial position, cash flows, or results of operations, the litigation and other claims are subject to inherent uncertainties, and management's view of these matters may change in the future. Were an unfavourable final outcome to occur in any one or more of these matters, there exists the possibility of a material adverse impact on the Company's business, reputation, financial condition, cash flows, and results of operations for the period in which the effect becomes reasonably estimable.

42 Share based payments

Employee Share Option Plan (ESOP)

The Company instituted the Employee Share Option Plan 2011 ("ESOP 2011") and Equity Incentive Plan 2011 ("EIP 2011") for eligible employees during the year ended March 2012 which was approved by the Board of Directors (Board) on October 18, 2011 and January 19, 2012 duly amended by the Board on January 22, 2015.

Besides the above plan, the Company has also instituted Employee Share Option Plan 2014 ("ESOP 2014") duly approved by the Board on October 20, 2014 and by the shareholders on January 22, 2015. The Company has also instituted Employee Share Option Plan 2015 ("ESOP 2015") duly approved by the Board on June 30, 2015 and by the shareholders on July 22, 2015. During year ended 2018, the Company has amended ESOP 2014 and all options granted under ESOP 2014 be deemed to be granted under ESOP 2011 duly approved by the Board on October 25, 2017. The plans are separate for USA employees (working out of the United States America - "USA") and employees working outside USA. The Company administers these plans.

On April 29, 2020 the Board of the Company approved Happiest Minds Employee Stock Option Scheme 2020 ("ESOP 2020") consisting of 70,00,000 equity shares. The Company will henceforth issue grants under the ESOP 2020 only.

The contractual term of each option granted is 5-8 years.

Options - India/UK Plan	Employee Stock Ownership Plan 2015		Employee Stock Ownership Plan 2020	
	No. of options	WAEP*	No. of options	WAEP*
Outstanding at the beginning of the year	1,186,869	25.95	-	-
Granted during the year	-	-	-	-
Exercised during the year	(694,066)	26.00	-	-
Forfeited during the year	(8,135)	26.00	-	-
Outstanding options as at the end of the year	484,668	25.89	-	-
Weighted Average Remaining Contractual Life	2.03 years		-	

Notes to the Standalone Financial Statements for the year ended March 31, 2026

(All amounts in ₹ lakhs, unless otherwise stated)

Options - USA Plan	Equity Incentive Plan for US Employees-2011		Equity Incentive Plan for US Employees-2020	
	No. of options	WAEP*	No. of options	WAEP*
Outstanding at the beginning of the year	11,650	26.00	-	-
Granted during the year	-	-	-	-
Exercised during the year	-	-	-	-
Forfeited during the year	-	-	-	-
Outstanding options as at the end of the year	11,650	26.00	-	-
Weighted Average Remaining Contractual Life	0.86 years		-	

*Weighted Average Exercise Price

1,09,050 options under Employee Stock Ownership Plan 2020 were granted during the year (March 31, 2025 - Nil)

The weighted average share price of shares exercised during the year is ₹ 546.01 (March 31, 2025 - ₹ 770.44)

Exercisable options as at March 31, 2026 - 3,57,700 options (March 31, 2025 - 4,96,318 options) and weighted average exercise price - ₹ 18.53 (March 31, 2025 - ₹ 25.93)

43 Scheme of Merger

A Merger of Happiest Minds Edutech Private Limited (erstwhile Macmillan Learning India Private Limited) with the Company

The Hon'ble National Company Law Tribunal (NCLT) approved the Scheme of Amalgamation of Happiest Minds Edutech Private Limited ("Transferor Company") with and into Happiest Minds Technologies Limited ("Transferee Company") vide order dated September 22, 2025.

The Scheme became effective upon filing of the NCLT order with the Registrar of Companies. The appointed date of the Scheme is April 18, 2024.

The amalgamation has been accounted for using the pooling of interests method in accordance with Appendix C to Ind AS 103, Business Combinations. Accordingly, the comparative financial information has been restated from the appointed date.

The accounting under pooling of interest method is as follows:

- All assets, liabilities and reserves of the Transferor Company have been recorded at their existing carrying amounts.
- The identity of reserves of the Transferor Company has been preserved in the books of the Company.
- Inter-company balances and transactions between the Transferor Company and the Company have been eliminated.
- The investment held by the Company in the Transferor Company has been cancelled and adjusted in accordance with Appendix C to Ind AS 103.

Summary of Assets and Liabilities as at April 01, 2024

Notes to the Standalone Financial Statements for the year ended March 31, 2026

(All amounts in ₹ lakhs, unless otherwise stated)

Particulars	Amount
Property, Plant & Equipment	1
Trade receivables	107
Cash and cash equivalents	468
Other assets	5
Deferred tax Asset	29
Total Assets (A)	610
Trade payables	22
Provisions	116
Other liabilities	20
Current tax liabilities	7
Total Liabilities (B)	165
Net Assets (C = A - B)	445
Cost of Investment (D)	445
Net Impact to Reserves as at April 01, 2024 (E = C - D)	-

In accordance with Appendix C to Ind AS 103, the comparative financial information in the financial statements of the Transferee Company shall be restated for the accounting impact of the merger of the Transferor Company, as stated above, as if the merger had occurred from the beginning of the comparative period presented.

B Merger of Sri Mookambika Infosolutions Private Limited with the Company

The Hon'ble National Company Law Tribunal (NCLT) approved the Scheme of Amalgamation of Sri Mookambika Infosolutions Private Limited ("SMI") ("Transferor Company") with and into Happiest Minds Technologies Limited ("Transferee Company") vide order dated September 25, 2025 (read with a corrigendum dated October 13, 2025).

The Scheme became effective upon filing of the NCLT order with the Registrar of Companies. The appointed date of the Scheme is April 1, 2025.

The amalgamation has been accounted for using the pooling of interests method in accordance with Appendix C to Ind AS 103, Business Combinations. Accordingly, the comparative financial information has been restated from the appointed date.

The accounting under pooling of interest method is as follows:

- All assets, liabilities and reserves of the Transferor Company have been recorded at their existing carrying amounts.
- The identity of reserves of the Transferor Company has been preserved in the books of the Company.
- Inter-company balances and transactions between the Transferor Company and the Company have been eliminated.
- The investment held by the Company in the Transferor Company has been cancelled and adjusted in accordance with Appendix C to Ind AS 103.

Notes to the Standalone Financial Statements for the year ended March 31, 2026

(All amounts in ₹ lakhs, unless otherwise stated)

Summary of Assets and Liabilities as at April 01, 2024

Particulars	Amount
Property, Plant & Equipment	91
Goodwill	5,404
Other intangible assets	6,706
Trade receivables	1,726
Cash and cash equivalents	673
Financial assets	62
Deferred tax Asset	154
Other assets	99
Other current assets	21
Total Assets (A)	14,936
Trade payables	371
Provisions	396
Income tax liabilities	9
Other financial liabilities	4
Other liabilities	213
Deferred tax liability	1,688
Total Liabilities (B)	2,681
Net Assets (C = A - B)	12,255
Cost of Investment (D)	13,694
Net Impact to Reserves as at April 01, 2024 (E = C - D)	(1,439)

In accordance with Appendix C to Ind AS 103, the comparative financial information in the financial statements of the Transferee Company shall be restated for the accounting impact of the merger of the Transferor Company, as stated above, as if the merger had occurred from the beginning of the comparative period presented.

44 Additional Information

(a) Ratio analysis and its elements

Ratio	Numerator	Denominator	March 31, 2026	March 31, 2025	% Change	Reason for variance
Current ratio	Current Assets	Current Liabilities	1.46	1.68	(13)%	
Debt- Equity Ratio	Total Debt	Shareholder's Equity	0.87	0.77	12%	
Debt Service Coverage ratio	Earnings for debt service = Net profit after taxes + Non-cash operating expenses	Debt service = Interest & Lease Payments + Principal Repayments (excludes interest & repayments for Packing credit foreign currency loan)	5.41	6.10	(11)%	
Return on Equity ratio	Net Profits after taxes – Preference Dividend	Average Shareholder's Equity	0.14	0.10	37%	The higher growth in profitability relative to equity resulted in improved returns.

Notes to the Standalone Financial Statements for the year ended March 31, 2026

(All amounts in ₹ lakhs, unless otherwise stated)

Ratio	Numerator	Denominator	March 31, 2026	March 31, 2025	% Change	Reason for variance
Trade Receivable Turnover Ratio	Net revenue	Average Trade Receivable	5.57	6.22	(10)%	
Trade Payable Turnover Ratio	Net credit purchases = Gross credit purchases - purchase return	Average Trade Payables	3.43	3.40	1%	
Net Capital Turnover Ratio	Net revenue	Working capital = Current assets – Current liabilities	2.81	2.19	28%	Higher revenue and lower working capital resulted in a higher turnover ratio
Net Profit ratio	Net Profit	Net sales = Total sales - sales return	0.13	0.10	33%	Increased revenue has resulted in increase in net profit during the year, leading to said variance
Return on Capital Employed	Earnings before interest and taxes	Capital Employed = Tangible Net Worth + Total Debt + Deferred Tax liability	0.12	0.12	6%	
Return on Investment	Interest (Finance Income) and gain from mutual funds	Investments (includes mutual funds, and fixed deposits)	0.05	0.07	(26)%	Decreased interest income from bank

- (b) The Company has not given any loans and advances in the nature of loan granted to promoters, directors and KMPs.
- (c) The Company has not been declared a wilful defaulter by any bank or financial institution or other lender.
- (d) The Company does not have any transactions with the companies struck off under section 248 of the Companies Act, 2013.
- (e) The Company does not have any charges or satisfaction yet to be registered with Registrar of Companies beyond the statutory period.
- (f) The Company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017
- (g) The Company has not advanced or loaned or invested funds (either borrowed funds or share premium or any other sources or kind of funds) to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding (whether recorded in writing or otherwise) that the Intermediary shall (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- (h) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the company shall (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or (b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

Notes to the Standalone Financial Statements for the year ended March 31, 2026

(All amounts in ₹ lakhs, unless otherwise stated)

- (i) The Company does not have any transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).

- (j) The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.

45 No significant events have occurred after the end of the reporting period.

- 46** a. The Company has maintained proper books of account as required by law and has backup of such books of account on a daily basis maintained in electronic mode in a server physically located in India except for an accounting software used for maintaining revenue records where the back-ups are maintained in a server physically located outside India.
- b. The Company has used an accounting software for maintaining its books of account for the year ended March 31, 2026 which has a feature of recording audit trail (edit log) facility except at database level for the software used to maintain revenue records. Audit trail has been preserved as per the statutory requirements for record retention."

47 The Company publishes Standalone Financial Statements along with the Consolidated Financial Statements. In accordance with Ind AS 108, Operating segments, the Company has disclosed the segment information in the Consolidated Financial Statements. Accordingly, the segment information is given in the Consolidated Financial Statements of Happiest Minds Technologies Limited and its subsidiaries for the year ended March 31, 2026.

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

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

for and on behalf of the Board of Directors:

Happiest Minds Technologies Limited

CIN : L72900KA2011PLC057931

Ashok Soota
 Chairman & Chief Mentor
 DIN : 00145962
 Place: Bengaluru, India
 Date: May 28, 2026.

Joseph Vinod Anantharaju
 Co-Chairman & CEO
 DIN : 08859640
 Place: Seattle, USA
 Date: May 28, 2026

Venkatraman Narayanan
 Managing Director
 DIN : 01856347
 Place: Bengaluru, India
 Date: May 28, 2026.

Anand Balakrishnan
 Chief Financial Officer

Place: Bengaluru, India
 Date: May 28, 2026

Praveen Darshankar
 Company Secretary
 FCS No.: F6706
 Place: Bengaluru, India
 Date: May 28, 2026

INDEPENDENT AUDITOR'S REPORT

To The Members of Happiest Minds Technologies Limited Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of Happiest Minds Technologies Limited (the "Parent") and its subsidiaries, (the Parent and its subsidiaries together referred to as the "Group"), which comprise the Consolidated Balance Sheet as at March 31, 2026, and the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Cash Flows and the Consolidated Statement of Changes in Equity for the year ended on that date, and notes to the financial statements, including a summary of material accounting policies and other explanatory information in which are incorporated the Financial Statements of Happiest Minds Technologies Share Ownership Plans Trust (the "ESOP trust") for the year ended on that date audited by the other auditors (the "trust auditors).

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of reports of the trust auditors and other auditors on separate financial statements of the ESOP trust and subsidiaries respectively referred to in the Other Matters section below, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act, ("Ind AS") and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2026, and their consolidated profit, their consolidated other comprehensive income, their consolidated cash flows and their consolidated changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing ("SA"s) specified under section 143 (10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibility for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us and the audit evidence obtained by the trust auditors and other auditors in terms of their reports referred to in the sub-paragraphs (a) and (b) of the Other Matters section below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Sr. No.	Key Audit Matter	Auditor's Response
1.	Fixed price contracts using the percentage of completion method (refer note 2(a) and note 26 of the consolidated financial statement) Revenue from fixed-price contracts where the performance obligations are satisfied over time, is recognized using the percentage-of completion method. Use of the percentage-of completion method requires the Company to determine the project costs incurred to date as a percentage of total estimated project costs required to complete the project. The estimation of total project costs involves significant judgement and is assessed throughout the period of the contract to reflect any changes based on the latest available information.	Principal audit procedures performed: Our audit procedures related to estimates of efforts to complete for fixed-price contracts accounted using the percentage-of-completion method included the following, among others: a. We tested the effectiveness of controls relating to (1) recording of efforts incurred and estimation of efforts to complete the remaining contract performance obligations, and (2) access and application controls pertaining to time recording and allocation systems, which prevents unauthorized changes to recording of efforts incurred.

Sr. No.	Key Audit Matter	Auditor's Response
	We identified the revenue recognition for fixed price contracts where the percentage-of completion method is used as a key audit matter because of the significant judgement involved in estimating the efforts to complete such contracts. This estimate has a high inherent uncertainty and requires consideration of progress of the contract, efforts incurred to-date and estimates of efforts to complete the contract. This required a high degree of auditor judgement in evaluating the audit evidence supporting the estimated efforts to complete and a higher extent of audit effort to evaluate the reasonableness of the total estimated efforts used to recognise revenue on fixed-price contracts.	b. We evaluated management's ability to reasonably estimate the progress towards satisfying the performance obligation, by comparing actual information to estimates, for performance obligations that have been fulfilled. c. We selected a sample of fixed price contracts with customers accounted using percentage-of-completion method and performed the following: - Read the contract and based on the terms and conditions evaluated whether recognizing revenue over time was appropriate, and the contract was included in management's calculation of revenue over time. - Evaluated the appropriateness of and consistency in the application of management's policies and methodologies to estimate progress towards satisfying the performance obligation. - Compared efforts incurred with data from the timesheet application system. - Tested the estimate for consistency with the status of delivery of milestones and customer acceptances to identify possible delays in achieving milestones, which require changes in estimated efforts to complete the remaining performance obligations. - We assessed the adequacy of disclosures made in the financial statements with respect to revenue recognized during the year as required by applicable Indian Accounting Standards.

Information Other than the Financial Statements and Auditor's Report Thereon

- The Parent's Board of Directors is responsible for the other information. The other information comprises the information included in the Company's Annual Report 2025-26, but does not include the consolidated financial statements, standalone financial statements and our auditor's report thereon. The Company's Annual Report 2025-26 is expected to be made available to us after the date of this auditor's report.
- Our opinion on the consolidated financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.
- In connection with our audit of the consolidated financial statements, our responsibility is to read the other information, identified above, when it becomes available and in doing so, compare with the financial statements of the ESOP trust and subsidiaries audited by the trust auditors and other auditors, to the extent it relates to these entities and, in doing so, place reliance on the work of the trust auditors and the other auditors and consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. Other information so far as it relates to the ESOP trust and the subsidiaries, is traced from their financial statements audited by the trust auditors and other auditors.
- When we read the Company's Annual Report 2025-26, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance as required under SA 720 'The Auditor's responsibilities Relating to Other Information'.

Responsibilities of Management and Board of Directors for the Consolidated Financial Statements

The Parent's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated

financial performance including other comprehensive income, consolidated cash flows and consolidated changes in equity of the Group in accordance with the accounting principles generally accepted in India, including Ind AS specified under section 133 of the Act. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Parent, as aforesaid.

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

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

Auditor's Responsibility for the Audit of the Consolidated Financial Statements

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

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Parent has adequate internal financial controls with reference to consolidated financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such branches or entities or business activities included in the consolidated financial statements of which we are the independent auditors. For the ESOP trust or entities included in the consolidated financial statements, which have been audited by the trust auditors or other auditors, such trust auditors and other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

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

We communicate with those charged with governance of the Parent and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal financial controls that we identify during our audit.

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

- We did not audit the financial statements of the ESOP trust included in the standalone financial statements of the Parent whose financial statements reflect total assets of ₹ 9,568 lakhs as at March 31, 2026, and total revenue of ₹ Nil for the year ended on that date, as considered in the standalone financial statements of the Parent. The financial statements of the ESOP trust have been audited by the trust auditors whose reports have been furnished to us, and our opinion in so far as it relates to the amounts and disclosures included in respect of the ESOP trust and our report in terms of subsection (3) of Section 143 of the Act, in so far as it relates to the aforesaid ESOP trust, is based solely on the report of such trust auditors.
- We did not audit the financial statements of 15 subsidiaries whose financial statements reflect total assets of ₹ 23,506 lakhs as at March 31, 2026, total revenues of ₹ 53,569 lakhs and net cash inflows amounting to ₹ 395 Lakhs for the year ended on that date, as considered in the consolidated financial statements. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, and our report in terms of subsection (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries is based solely on the reports of the other auditors.
- We did not audit the financial statements of 2 subsidiaries whose financial statements reflect total assets of ₹ 63 lakhs as at March 31, 2026, total revenues of ₹ Nil and net cash outflows amounting to ₹ 26 lakhs for the year ended on that date, as considered in the consolidated financial statements. These financial statements are unaudited and have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries is based solely on such unaudited financial statements. In our opinion and according to the information and explanations given to us by the Management, these financial statements are not material to the Group.

Our opinion on the consolidated financial statements above and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the trust auditors and other auditors and the financial statements certified by the Management.

Report on Other Legal and Regulatory Requirements

- As required by Section 143(3) of the Act, based on our audit and on the consideration of the reports of the trust auditors and other auditors on the separate financial statements of the ESOP trust and subsidiaries referred to in the Other Matters section above we report, to the extent applicable that:
 - We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
 - In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept by the Group including relevant records so far as it appears from our examination of those books, except (a) for not keeping backup on a daily basis of the accounting software used for maintaining revenue records in electronic mode in a server physically located in India by the Parent and its subsidiaries (refer Note 46 to the consolidated financial statements) and (b) in relation to compliance with the requirements of audit trail, refer paragraph (i)(vi) below.
 - The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including Other Comprehensive Income, the Consolidated Statement of Cash Flows and the Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
 - In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under Section 133 of the Act.
 - On the basis of the written representations received from the directors of the Parent as on March 31, 2026 taken on record by the Board of Directors of the Company and the reports of the statutory auditors of its subsidiary companies, none of the directors of the Group companies is disqualified as on March 31, 2026 from being appointed as a director in terms of Section 164 (2) of the Act.
 - The modifications relating to the maintenance of accounts and other matters connected therewith, are as stated in paragraph (b) above.
 - With respect to the adequacy of the internal financial controls with reference to consolidated financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure A" which is based on the auditors' reports of the Parent and the subsidiary companies, incorporated in India. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of internal financial controls with reference to consolidated financial statements of those companies.
 - With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Parent to the directors during the year is in accordance with the provisions of section 197 of the Act.
 - With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
 - The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group - Refer Note 41 to the consolidated financial statements;
 - The Group has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts, including derivative contracts - Refer Note 37 (B) to the consolidated financial statements.
 - There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Parent, and its subsidiary companies.
 - (a) The respective Managements of the Parent and its subsidiaries, whose financial statements have been audited under the Act, have represented to us and to the other auditors of such subsidiaries, to the

best of their knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Parent or any of such subsidiaries to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Parent or any of such subsidiaries ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

- (b) The respective Managements of the Parent and its subsidiaries, whose financial statements have been audited under the Act, have represented to us and to the other auditors of such subsidiaries, to the best of their knowledge and belief, no funds have been received by the Parent or any of such subsidiaries from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Parent or any of such subsidiaries, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (c) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances performed by us and that performed by the auditors of the subsidiaries whose financial statements have been audited under the Act, nothing has come to our or other auditor's notice that has caused us or the other auditors to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
- v) The final dividend proposed in the previous year, declared and paid by the Parent and its subsidiaries whose financial statements have been audited under the Act, where applicable, during the year is in accordance with section 123 of the Act, as applicable.

The interim dividend declared and paid by the Parent and its subsidiary which are companies incorporated in India, whose financial statements have been audited under the Act, where applicable, during the year and until the date of this report is in compliance with section 123 of the Act.

As stated in note 47 to the consolidated financial statements, the Board of Directors of the Parent have proposed final dividend for the year which is subject to the approval of the members of the Parent at the ensuing Annual General Meetings. Such dividend proposed is in accordance with section 123 of the Act, as applicable.

- vi) Based on our examination, which included test checks, and based on the other auditor's reports of the subsidiary companies incorporated in India whose financial statements have been audited under the Act, except for the instances mentioned below, the Parent Company and its subsidiary companies have used an accounting software for maintaining their respective books of account for the year ended March 31, 2026 which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software:
- In respect of the Parent and two subsidiary companies, the accounting software used for maintaining revenue records, did not have audit trail enabled at the database level to log any direct data changes.
 - In respect of one subsidiary company, the accounting software used for maintaining payroll records, did not have audit trail enabled at the database level to log any direct data changes until April 2, 2025.

Further, during the course of our audit, we and the respective other auditors, whose reports have been furnished to us by the Management of the Parent, have not come across any instance of the audit trail feature being tampered with in respect of the accounting software for the period for which the audit trail feature was operating.

Additionally, audit trail that was enabled and operated for the year ended March 31, 2025, has been preserved by the Parent and above referred subsidiary companies, incorporated in India, as per the statutory requirements for record retention except as stated in Note 46 to the consolidated financial statements.

2. With respect to the matters specified in clause (xxi) of paragraph 3 and paragraph 4 of the Companies (Auditor's Report) Order, 2020 ("CARO"/ "the Order") issued by the Central Government in terms of Section 143(11) of the Act, according to the information and explanations given to us, and based on the CARO reports issued by us and the auditors of respective companies included in the consolidated financial statements to which reporting under CARO is applicable, as provided to us by the Management of the Parent we report that there are no qualifications or adverse remarks by the respective auditors in the CARO reports of the said respective companies included in the consolidated financial statements except for the following:

Name of the company	CIN	Nature of relationship	Clause Number of CARO report with qualification or adverse remark
Aureus Tech Systems Private Limited	U72900TG2019FTC132331	Subsidiary Company	Clause vii (a) and clause xx (a)
PureSoftware Technologies Private Limited	U72900KA2021PTC196462	Subsidiary Company	Clause ii (b) Clause vii (b)

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

Vikas Bagaria
 Partner
 (Membership No. 060408)
 (UDIN : 26060408HYQLYY5180)

Place: Bengaluru
 Date: May 28, 2026

ANNEXURE “A” TO THE INDEPENDENT AUDITOR’S REPORT

(Referred to in paragraph 1(g) under ‘Report on Other Legal and Regulatory Requirements’ section of our report of even date)

Report on the Internal Financial Controls with reference to consolidated financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (the “Act”)

In conjunction with our audit of the consolidated financial statements of the Company as at and for the year ended March 31, 2026, we have audited the internal financial controls with reference to consolidated financial statements of Happiest Minds Technologies Limited (hereinafter referred to as “Parent”) and its subsidiary companies, which are companies incorporated in India, as of that date.

Management’s and Board of Directors’ Responsibilities for Internal Financial Controls

The respective Company’s management and Board of Directors of the Parent and its subsidiary companies which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls with reference to consolidated financial statements based on the internal control with reference to consolidated financial statements criteria established by the respective Companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor’s Responsibility

Our responsibility is to express an opinion on the internal financial controls with reference to consolidated financial statements of the Parent and its subsidiary companies, which are companies incorporated in India, based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) issued by the Institute of Chartered Accountants of India and the Standards on Auditing, prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls with reference to consolidated financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to consolidated financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to consolidated financial statements and their operating effectiveness. Our audit of internal financial controls with reference to consolidated financial statements included obtaining an understanding of internal financial controls with reference to consolidated financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors of the subsidiary companies, which are companies incorporated in India, in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to consolidated financial statements of the Parent and its subsidiary companies, which are companies incorporated in India.

Meaning of Internal Financial Controls with reference to consolidated financial statements

A company’s internal financial control with reference to consolidated financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company’s internal financial control with reference

to consolidated financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company’s assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with reference to consolidated financial statements

Because of the inherent limitations of internal financial controls with reference to consolidated financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to consolidated financial statements to future periods are subject to the risk that the internal financial control with reference to consolidated financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors referred to in the Other Matters paragraph below, the Parent and its subsidiary companies, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls with reference to consolidated financial statements and such internal financial controls with reference to consolidated financial statements were operating effectively as at March 31, 2026, based the criteria for internal financial control with reference to consolidated financial statements established by the respective companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Other Matters

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to consolidated financial statements insofar as it relates to 2 subsidiary companies, which are companies incorporated in India, is based solely on the corresponding reports of the auditors of such companies incorporated in India.

Our opinion is not modified in respect of the above matter.

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

Vikas Bagaria
 Partner
 (Membership No. 060408)
 (UDIN : 26060408HYQLYY5180)

Place: Bengaluru
 Date: May 28, 2026

CONSOLIDATED BALANCE SHEET

AS AT MARCH 31, 2026

(All amounts in ₹ lakhs, unless otherwise stated)

	Notes	As at March 31, 2026	As at March 31, 2025
Assets			
Non-current assets			
Property, plant and equipment	3	13,476	14,096
Goodwill	4	77,728	76,230
Other intangible assets	4	19,939	23,831
Intangible assets under development	4	165	18
Right-of-use assets	5	6,056	6,958
Financial assets			
i. Other financial assets	7	27,501	7,358
Income tax assets (net)	8A	5,389	3,537
Other assets	9	294	170
Deferred tax assets (net)	10 A	4,408	3,613
Total non-current assets		154,956	135,811
Current assets			
Financial assets			
i. Investments	11	50,352	35,039
ii. Trade receivables	12	39,027	35,813
iii. Cash and cash equivalents	13	11,966	11,912
iv. Bank balance other than cash and cash equivalents	14	79,305	93,911
v. Loans	6	33	12
vi. Other financial assets	7	16,684	17,726
Other assets	9	10,188	5,682
Total current assets		207,555	200,095
Total assets		362,511	335,906
Equity and liabilities			
Equity			
Equity share capital	15	3,005	3,001
Other equity	17	165,944	154,457
Equity attributable to equity holders of the parent		168,949	157,458
Non-controlling interest		-	-
Total equity		168,949	157,458

Consolidated Balance Sheet (Contd.)

(All amounts in ₹ lakhs, unless otherwise stated)

	Notes	As at March 31, 2026	As at March 31, 2025
Liabilities			
Non-current liabilities			
Financial liabilities			
i. Borrowings	19	34,292	33,537
ii. Lease liabilities	20	4,106	5,010
iii. Other financial liabilities	21	2,131	8,330
Provisions	22	8,914	5,940
Deferred tax liabilities (net)	10 B	3,940	4,841
Total non-current liabilities		53,383	57,658
Current liabilities			
Contract liabilities	23	3,401	2,194
Financial liabilities			
i. Borrowings	19	106,974	82,554
ii. Lease liabilities	20	3,293	3,258
iii. Trade payables	24		
(A) Total outstanding dues of Micro enterprises and Small enterprises		547	225
(B) Total outstanding dues of creditors other than Micro enterprises and Small enterprises.		9,104	10,256
iv. Other financial liabilities	21	8,676	14,526
Income tax liabilities (net)	8B	315	422
Other current liabilities	25	4,058	3,836
Provisions	22	3,811	3,519
Total current liabilities		140,179	120,790
Total liabilities		193,562	178,448
Total equity and liabilities		362,511	335,906

The accompanying notes form an integral part of the Consolidated Financial Statements.

As per our report of even date

for Deloitte Haskins & Sells

Chartered Accountants

ICAI Firm's Registration Number : 008072S

for and on behalf of the Board of Directors:

Happiest Minds Technologies Limited

CIN : L72900KA2011PLC057931

Vikas Bagaria

Partner

Membership no.: 060408

Place: Bengaluru, India

Date: May 28, 2026.

Ashok Soota

Chairman & Chief Mentor

DIN : 00145962

Place: Bengaluru, India

Date: May 28, 2026.

Anand Balakrishnan

Chief Financial Officer

Place: Bengaluru, India

Date: May 28, 2026

Joseph Vinod Anantharaju

Co-Chairman & CEO

DIN : 08859640

Place: Seattle, USA

Date: May 28, 2026

Praveen Darshankar

Company Secretary

FCS No.: F6706

Place: Bengaluru, India

Date: May 28, 2026

Venkatraman Narayanan

Managing Director

DIN : 01856347

Place: Bengaluru, India

Date: May 28, 2026.

CONSOLIDATED STATEMENT OF PROFIT AND LOSS

FOR THE YEAR ENDED MARCH 31, 2026

(All amounts in ₹ lakhs, unless otherwise stated)

	Notes	For the year ended March 31, 2026	For the year ended March 31, 2025
Income			
Revenue from contracts with customers	26	231,511	206,084
Other income	27	8,497	10,138
Total income		240,008	216,222
Expenses			
Employee benefits expense	28	156,095	136,534
Depreciation and amortisation	29	8,819	8,870
Finance costs	30	9,736	9,948
Other expenses	31	34,344	32,518
Impairment loss allowance on trade and unbilled receivables	31A	734	1,590
Total expenses		209,728	189,460
Profit before exceptional items and tax		30,280	26,762
Exceptional items: charge	32	1,859	1,216
Profit before tax		28,421	25,546
Tax expense	33		
Current tax		7,952	8,443
Deferred tax credit		(793)	(1,363)
		7,159	7,080
Profit for the year		21,262	18,466
Other comprehensive income (OCI)			
Other comprehensive income to be reclassified to profit or loss in subsequent periods			
Exchange differences on translating the financial statements of a foreign operation		1,444	421
Net movement on effective portion of cash flow hedges	37(B)	(3,886)	(292)
Income tax effect	33	978	73
Net other comprehensive income to be reclassified to profit or loss in subsequent periods		(1,464)	202
Other comprehensive income not to be reclassified to profit or loss in subsequent periods			
Net loss on equity instruments carried at fair value through OCI	36 (v)	-	(503)
Income tax effect	33	-	106
Re-measurement losses on defined benefit plans	35	563	(553)

Consolidated Statement of Profit and Loss (Contd.)

(All amounts in ₹ lakhs, unless otherwise stated)

	Notes	For the year ended March 31, 2026	For the year ended March 31, 2025
Income tax effect	33	(142)	139
Net other comprehensive income not to be reclassified to profit or loss in subsequent periods		421	(811)
Other comprehensive income for the year, net of tax		(1,043)	(609)
Total comprehensive income for the year		20,219	17,857
Profit for the year		21,262	18,466
Attributable to:			
Equity holders of the parent		21,262	18,466
Non-controlling interests		-	-
Total comprehensive income for the year		20,219	17,857
Attributable to:			
Equity holders of the parent		20,219	17,857
Non-controlling interests		-	-
Earnings per equity share	34		
Equity shares of par value ₹ 2/- each			
Basic, computed on the basis of profit for the year attributable to equity holders of the parent (₹)		14.12	12.26
Diluted, computed on the basis of profit for the year attributable to equity holders of the parent (₹)		14.11	12.26

The accompanying notes form an integral part of the Consolidated Financial Statements.

As per our report of even date

for Deloitte Haskins & Sells

Chartered Accountants

ICAI Firm's Registration Number : 008072S

for and on behalf of the Board of Directors:

Happiest Minds Technologies Limited

CIN : L72900KA2011PLC057931

Vikas Bagaria

Partner

Membership no.: 060408

Place: Bengaluru, India

Date: May 28, 2026.

Ashok Soota

Chairman & Chief Mentor

DIN : 00145962

Place: Bengaluru, India

Date: May 28, 2026.

Joseph Vinod Anantharaju

Co-Chairman & CEO

DIN : 08859640

Place: Seattle, USA

Date: May 28, 2026

Venkatraman Narayanan

Managing Director

DIN : 01856347

Place: Bengaluru, India

Date: May 28, 2026.

Anand Balakrishnan

Chief Financial Officer

Place: Bengaluru, India

Date: May 28, 2026

Praveen Darshankar

Company Secretary

FCS No.: F6706

Place: Bengaluru, India

Date: May 28, 2026

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED MARCH 31, 2026

(All amounts in ₹ lakhs, unless otherwise stated)

	For the year ended March 31, 2026	For the year ended March 31, 2025
Operating activities		
Profit before tax	28,421	25,546
Adjustments to reconcile profit before tax to net cash flows:		
Depreciation/ amortisation of property, plant and equipment, intangibles and right-of-use assets	8,819	8,870
Share-based payment expense	611	-
Gain on sale of investment carried at fair value through profit and loss	(405)	1
Fair value (gain)/loss on financial assets measured at fair value through profit or loss	(2,110)	(1,240)
(Gain)/loss on recognition/derecognition of contingent consideration	(344)	1,216
Interest income	(6,112)	(8,976)
Net unrealised foreign exchange (gain)/ loss	135	(102)
Impairment loss on financial assets	734	1,590
(Gain)/ loss on disposal of property, plant and equipment, net	(29)	(19)
Finance costs	9,736	9,948
Operating cash flow before working capital changes	39,456	36,834
Movements in working capital:		
Increase in trade receivables	(2,602)	(2,114)
(Increase)/ Decrease in loans	(16)	33
(Increase)/ Decrease in non-financial assets	(4,519)	533
Decrease/ (Increase) in financial assets	859	(2,686)
(Decrease)/ Increase in trade payables	(1,228)	937
(Decrease)/ Increase in financial liabilities	(549)	731
Increase in provisions	3,748	23
Increase in contract liabilities	1,207	369
Decrease in other non-financial liabilities	(311)	(1,020)
	36,045	33,639
Income tax paid, net of refunds	(9,904)	(9,997)
Net cash flows from operating activities (A)	26,141	23,642
Investing activities		
Purchase of property, plant and equipment	(291)	(766)
Purchase of intangible assets	(425)	(351)
Proceeds from sale of property, plant and equipment	41	19
Maturities of / (Investment in) bank deposit, net	(5,390)	23,647
Acquisition of subsidiaries	-	(73,121)
Investment in equity shares of Solvio	-	(503)
Purchase of mutual funds	(31,302)	(37,549)
Proceeds from sale of mutual funds	18,504	3,751
Interest received	6,734	8,657
Net cash flows used in investing activities (B)	(12,129)	(76,216)

Consolidated Statement of Changes in Equity (Contd.)

(All amounts in ₹ lakhs, unless otherwise stated)

	For the year ended March 31, 2026	For the year ended March 31, 2025
Financing activities		
Repayment of long-term borrowings	(999)	(834)
Proceeds from long-term borrowings	7,678	24,061
Proceeds / (Repayment) of short-term borrowings (net)	17,299	53,322
Repayment of redeemable non-convertible debentures	-	(4,500)
Payment of principal portion of lease liabilities	(3,384)	(3,172)
Payment of interest portion of lease liabilities	(677)	(727)
Payment of contingent consideration	(16,489)	(1,401)
Dividend paid	(9,391)	(8,588)
Proceeds from exercise of share options	47	185
Interest paid	(8,456)	(8,401)
Net cash flows from/ (used) in financing activities (C)	(14,372)	49,945
Net decrease in cash and cash equivalents [(A)+(B)+(C)]	(360)	(2,628)
Net foreign exchange difference	414	19
Cash and cash equivalents at the beginning of the year	11,912	11,470
Cash acquired on acquisition of subsidiary	-	3,624
Less : Bank overdraft at the beginning of the year	-	(573)
Cash and cash equivalents at the end of the year	11,966	11,912
Components of cash and cash equivalents 13		
Balance with banks		
- on current account	9,424	11,481
- in EEFC accounts	2,541	430
Deposits with original maturity of less than three months	1	1
Total cash and cash equivalents	11,966	11,912

Refer note 19 and 20 for changes in borrowings and lease liabilities arising from non-cash financing activities.

The accompanying notes form an integral part of the Consolidated Financial Statements.

As per our report of even date

for Deloitte Haskins & Sells

Chartered Accountants

ICAI Firm's Registration Number : 008072S

for and on behalf of the Board of Directors:

Happiest Minds Technologies Limited

CIN : L72900KA2011PLC057931

Vikas Bagaria

Partner

Membership no.: 060408

Place: Bengaluru, India

Date: May 28, 2026.

Ashok Soota

Chairman & Chief Mentor

DIN : 00145962

Place: Bengaluru, India

Date: May 28, 2026.

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Co-Chairman & CEO

DIN : 08859640

Place: Seattle, USA

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DIN : 01856347

Place: Bengaluru, India

Date: May 28, 2026.

Anand Balakrishnan
 Chief Financial Officer

 Place: Bengaluru, India
 Date: May 28, 2026

Praveen Darshankar
 Company Secretary

FCS No.: F6706

 Place: Bengaluru, India
 Date: May 28, 2026

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED MARCH 31, 2026

(All amounts in ₹ lakhs, unless otherwise stated)

a) Equity share capital

For the year ended March 31, 2026	No of Shares	Amount
Equity shares of ₹ 2 each issued, subscribed and fully paid		
At April 1, 2025	150,046,867	3,001
Issue of shares	-	-
Exercise of share options - refer note 15 (ii) (1)	215,069	4
As at March 31, 2026	15,02,61,936	3,005
For the year ended March 31, 2025		
Equity shares of ₹ 2 each issued, subscribed and fully paid		
At April 1, 2024	149,354,426	2,987
Issue of shares	-	-
Exercise of share options - refer note 15 (ii) (1)	692,441	14
As at March 31, 2025	15,00,46,867	3,001

b) Other equity

For the year ended March 31, 2026	Reserves and Surplus			Other components of equity			Total
	Securities premium (Note 17)	Share options outstanding reserve (Note 17)	Retained earnings (Note 17)	Cash flow hedge reserve (Note 17)	Foreign currency translation reserve (Note 17)	Equity instrument through OCI (Note 17)	
As at April 1, 2025	90,582	68	64,487	(246)	1,282	(1,716)	154,457
Profit for the year	-	-	21,262	-	-	-	21,262
Other comprehensive income	-	-	421	(2,908)	1,444	-	(1,043)
Total comprehensive income	-	-	21,683	(2,908)	1,444	-	20,219
Issue of equity shares on exercise of options	43	-	-	-	-	-	43
Transferred to securities premium for options exercised	29	(29)	-	-	-	-	-
Dividend - refer note 18	-	-	(9,386)	-	-	-	(9,386)
Share-based payments expense - refer note 43	-	611	-	-	-	-	611
As at March 31, 2026	90,654	650	76,784	(3,154)	2,726	(1,716)	165,944

Consolidated Statement of Changes in Equity (Contd.)

(All amounts in ₹ lakhs, unless otherwise stated)

For the year ended March 31, 2025	Reserves and Surplus			Other components of equity			Total
	Securities premium (Note 17)	Share options outstanding reserve (Note 17)	Retained earnings (Note 17)	Cash flow hedge reserve (Note 17)	Foreign currency translation reserve (Note 17)	Equity instrument through OCI (Note 17)	
As at April 1, 2024	90,318	163	55,042	(28)	861	(1,319)	145,037
Profit for the year	-	-	18,466	-	-	-	18,466
Other comprehensive income	-	-	(414)	(218)	421	(397)	(608)
Total comprehensive income	-	-	18,052	(218)	421	(397)	17,858
Issue of equity shares on exercise of options	170	-	-	-	-	-	170
Transferred to retained earnings for options forfeited	-	(1)	1	-	-	-	-
Transferred to securities premium for options exercised	94	(94)	-	-	-	-	-
Dividend - refer note 18	-	-	(8,608)	-	-	-	(8,608)
As at March 31, 2025	90,582	68	64,487	(246)	1,282	(1,716)	154,457

The accompanying notes form an integral part of the Consolidated Financial Statements.

As per our report of even date

for Deloitte Haskins & Sells

Chartered Accountants

ICAI Firm's Registration Number : 008072S

for and on behalf of the Board of Directors:

Happiest Minds Technologies Limited

CIN : L72900KA2011PLC057931

Vikas Bagaria

Partner

Membership no.: 060408

Place: Bengaluru, India

Date: May 28, 2026.

Ashok Soota

Chairman & Chief Mentor

DIN : 00145962

Place: Bengaluru, India

Date: May 28, 2026.

Joseph Vinod Anantharaju

Co-Chairman & CEO

DIN : 08859640

Place: Seattle, USA

Date: May 28, 2026

Venkatraman Narayanan

Managing Director

DIN : 01856347

Place: Bengaluru, India

Date: May 28, 2026.

Anand Balakrishnan

Chief Financial Officer

Place: Bengaluru, India

Date: May 28, 2026

Praveen Darshankar

Company Secretary

FCS No.: F6706

Place: Bengaluru, India

Date: May 28, 2026

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2026

(All amounts in ₹ lakhs, unless otherwise stated)

Corporate Information

Happiest Minds Technologies Limited ("Happiest Minds" or "the Company" or "the Parent") together with its subsidiary (collectively "the Group") is engaged in a next generation IT solutions & services Company, enabling organizations to capture the business benefits of emerging technologies of cloud computing, social media, mobility solutions, business intelligence, analytics, unified communications and internet of things. The Group offers high degree of skills, IPs and domain expertise across a set of focused areas that include Digital Transformation & Enterprise Solutions, Product Engineering, Infrastructure Management, Security, Testing and Consulting. The Group focuses on industries in the Retail/Consumer Product Goods(CPG), Banking, Financial Services and Insurance (BFSI), Travel & Transportation, Manufacturing and Media space. Happiest Minds provide a smart, secure and connected experience to its Customers. In the solution space, focus areas are Security, M2M and Mobility solutions.

The Company is a limited company, incorporated and domiciled in India and has a branch office at United States of America, United Kingdom, Australia, Canada, Netherlands, Singapore, Malaysia and Dubai. The registered office of the Company is situated at #53/1-4, Hosur Main Road, Madivala (next to Madivala Police Station) Bengaluru 560068.

The Group's Consolidated Financial Statements (CFS) for the year ended March 31, 2026 were approved by Board of Directors on May 28, 2026.

1 Basis of preparation of Consolidated Financial Statements

(a) Basis of preparation

The Consolidated Financial Statements (CFS) of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and presentation requirements of Division II of Schedule III to the Companies Act, 2013, (Ind AS compliant Schedule III), as applicable to the CFS.

This note provides a list of the material accounting policies adopted in the preparation of the Consolidated Financial Statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

These Consolidated Financial Statements have been prepared for the Group as a going concern on the basis of relevant Ind AS that are effective at the Group's annual reporting date, March 31, 2026.

The Consolidated Financial Statements have been prepared on an accrual basis under the historical cost convention except for the following that are measured at fair value as required by relevant:

- Defined benefit plan - plan assets measured at fair value
- Certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments)
- Derivative financial instruments and
- Contingent consideration

(b) Functional currency and presentation currency

These Consolidated Financial Statements are presented in Indian Rupee (₹), which is also functional currency of the Parent. All the values are rounded off to the nearest lakhs (₹ 00,000) unless otherwise indicated.

(c) Use of estimates and judgements

In preparing these Consolidated Financial Statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of income and expenses during the period. Actual results may differ from these estimates.

Notes to the Consolidated Financial Statements for the year ended March 31, 2026

(All amounts in ₹ lakhs, unless otherwise stated)

Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding estimate. Changes in estimate are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the Consolidated Financial Statements.

Judgements:

Information about judgements made in applying accounting policies that have a material effects on the amounts recognized in the Consolidated Financial Statements is included in the following notes:

- Note 2(c) and 2(d)- Useful life of property, plant and equipment and intangible assets;
- Note 2(g) - Lease classification;
- Note 2(h) - Financial instrument; and
- Note 2(l) - Measurement of defined benefit obligations: key actuarial assumptions.

Assumption and estimation uncertainties

Information about assumptions and estimation uncertainties that have a material risk of resulting in a material adjustment in the year ended March 31, 2026 is included in the following notes:

- Note 2(e) - Impairment test of non-financial assets; key assumptions underlying recoverable amounts including the recoverability of expenditure on internally-generated intangible assets;
- Note 2(o)- Recognition of deferred tax assets: availability of future taxable profit against which tax losses carried forward can be used;
- Note 2(h) - Impairment of financial assets
- Note 2(q) - Recognition and measurement of provisions and contingencies: key assumptions about the likelihood and magnitude of an outflow of resources; and
- Note 2(i) - Fair value measurement
- Note 2(b) - Determination of whether the company exercises control or significant influence on its investee and date such control or significant influence was acquired

1 Basis of preparation of Consolidated Financial Statements - continued

(d) Current and non-current classification

The Group presents assets and liabilities in the balance sheet based on current/ non-current classification.

An asset is treated as current when it is:

- Expected to be realized or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realized within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

Notes to the Consolidated Financial Statements for the year ended March 31, 2026

(All amounts in ₹ lakhs, unless otherwise stated)

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle,
- It is held primarily for the purpose of trading,
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Group classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Group has identified twelve months as its operating cycle.

(e) Basis of Consolidation

The Consolidated Financial Statements comprise the financial statements of the Parent and its subsidiary as at March 31, 2026. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee.

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the Consolidated Financial Statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

Consolidated Financial Statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the Group uses accounting policies other than those adopted in the Consolidated Financial Statements for like transactions and events in similar circumstances, appropriate adjustments are made to that Group member's financial statements in preparing the Consolidated Financial Statements to ensure conformity with the Group's accounting policies.

The financial statements of all entities used for the purpose of consolidation are drawn up to same reporting date as that of the Parent, i.e., year ended on March 31. When the end of the reporting period of the parent is different from that of a subsidiary, the subsidiary prepares, for consolidation purposes, additional financial information as of the same date as the financial statements of the parent to enable the parent to consolidate the financial information of the subsidiary, unless it is impracticable to do so

Consolidation procedure:

- Combine like items of assets, liabilities, equity, income, expenses and cash flows of the Parent with those of its subsidiaries on line by line basis. For this purpose, income and expenses of the subsidiaries are based on the amounts of the assets and liabilities recognised in the Consolidated Financial Statements at the acquisition date.
- Offset (eliminate) the carrying amount of the parent's investment in each subsidiary and the parent's portion of equity of each subsidiary. Business combinations policy explains how to account for any related goodwill.

Notes to the Consolidated Financial Statements for the year ended March 31, 2026

(All amounts in ₹ lakhs, unless otherwise stated)

- Eliminate in full intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the group (profits or losses resulting from intragroup transactions that are recognised in assets, such as inventory and fixed assets, are eliminated in full). Intragroup losses may indicate an impairment that requires recognition in the Consolidated Financial Statements. Ind AS 12 Income Taxes applies to temporary differences that arise from the elimination of profits and losses resulting from intragroup transactions.

Profit and loss and each component of OCI are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies in line with the Group's accounting policies. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction.

If the Group loses control over a subsidiary, it derecognises the related assets (including goodwill), liabilities, non-controlling interest and other components of equity, while any resultant gain or loss is recognised in profit and loss. Any investment retained is recognised at fair value.

The subsidiaries which are included in the consolidation and the Company's holdings therein are as under:

Name of Company	Nature of Business	Country of incorporation	Ownership interest as at March 31, 2026	Ownership interest as at March 31, 2025
Happiest Minds Inc. (formerly known as PGS Inc.)	IT services	United States of America	100%	100%
Aureus Tech Systems Private Limited	IT services	India	100%	100%
PureSoftware Technologies Private Limited	IT services	India	100%	100%
PureSoftware Pte Limited, Singapore ("PS Pte Ltd")	IT services	Singapore	100%	100%
PureSoftware Corp, USA	IT services	United States of America	100%	100%
PureSoftware Technology, S de R L de C.V, Mexico	IT services	Mexico	100%	100%
PureSoftware Sdn Bhd, Malaysia	IT services	Malaysia	100%	100%
PureSoftware HK Limited, Hong Kong	IT services	Hong Kong	100%	100%
PureSoftware Africa Ltd, Kenya	IT services	Kenya	100%	100%
PureSoftware Technologies Romania S.R.L, Romania	IT services	Romania	100%	100%
PureSoftware Private Limited, UK	IT services	UK	100%	100%
PureSoftware Private Limited, Nepal	IT services	Nepal	100%	100%
InnovazIT Technologies LLC	IT services	Dubai	100%	100%
GAVS Technologies LLC	IT services	Oman	100%	100%
GAVS Technologies Saudi Arabia for Telecommunications and Information Technology	IT services	Saudi	100%	100%

Notes to the Consolidated Financial Statements for the year ended March 31, 2026

(All amounts in ₹ lakhs, unless otherwise stated)

2 Material accounting policies

The accounting policies set out below have been applied consistently to the periods presented in these Consolidated Financial Statements.

(a) Revenue recognition

The Group derives revenue primarily from rendering of services and sale of licenses. Revenue is recognised upon transfer of control of promised products or services to customers in an amount that reflects the consideration the Group expects to receive in exchange for those products or services. The Group is a principal in rendering of services and agent in relation to sale of licenses. Amounts disclosed as revenue are net of trade allowances, rebates and Goods and Services tax (GST), amounts collected on behalf of third parties and includes reimbursement of out-of-pocket expenses, with corresponding expenses included in cost of revenues.

Revenue from the rendering of services and sale of license is recognised when the Group satisfies its performance obligations to its customers as below:

Revenue from rendering of services

The Group applies judgement to determine whether each product or service promised to a customer is capable of being distinct, and is distinct in the context of the contract, if not, the promised product or service is combined and accounted as a single performance obligation. In determining the transaction price for rendering of services, the Group considers the effect of variable consideration, existence of a significant financing component, non-cash consideration, and consideration payable to the customers, if any. Revenue is recognised net of trade and cash discounts. The Group allocates the arrangement consideration to separately identifiable performance obligation deliverables based on their relative stand-alone selling price. In cases where the Group is unable to determine the stand-alone selling price, the Group uses expected cost-plus margin approach in estimating the stand-alone selling price. Volume discounts are recorded as a reduction of revenue. When the amount of discount varies with the levels of revenue, volume discount is recorded based on estimate of future revenue from the customer.

Revenues from services comprise primarily income from time-and-material and fixed price contracts. Revenue with respect to time-and-material contracts is recognised over the period of time as the related services are performed. Revenue with respect to fixed price contracts where performance obligation is transferred over time are recognized using the "percentage of completion" method. The Group uses the percentage of completion method using the input (cost expended) method to measure progress towards completion in respect of fixed price contracts. Percentage of completion method accounting relies on estimates of total expected contract revenue and costs. This method is followed when reasonably dependable estimates of the revenues and costs applicable to various elements of the contract can be made. Key factors that are reviewed in estimating the future costs to complete include estimates of future labour costs and productivity efficiencies. Because the financial reporting of these contracts depends on estimates that are assessed continually during the term of these contracts, revenue recognized, profit and timing of revenue for remaining performance obligations are subject to revisions as the contract progresses to completion. When estimates indicate that a loss will be incurred, the loss is provided for in the period in which the loss becomes probable. Provisions for estimated losses on contracts-in-progress are recorded in the period in which such losses become probable based on the current contract estimates.

Trade receivables

A receivable is recognised if an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due). Refer to accounting policies of financial assets.

Variable consideration

If the consideration in a contract includes a variable amount, the Group estimates the amount of consideration to which it will be entitled in exchange for transferring the goods to the customer. The variable consideration is estimated at contract inception and constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognised will not occur when the associated uncertainty with the variable consideration is subsequently resolved.

Notes to the Consolidated Financial Statements for the year ended March 31, 2026

(All amounts in ₹ lakhs, unless otherwise stated)

Revenue from license

Revenue for supply of third party products, services or licenses are recorded at gross or net basis depending on whether the Company is acting as the principal or as an agent of the customer. The Group recognizes revenue in the gross amount of consideration when it is acting as a principal and at net amount of consideration when it is acting as an agent.

Where the Group is a reseller for sale of right to use licenses and acting as agent in the arrangement, the revenue for sale of right to use license is recognised on a net basis. In case, where the licenses are required to be substantially customized as part of implementation service, the entire arrangement fee is considered as single performance obligation and revenue is recognized as per input method.

Where the Group acts as principal, revenue from sale of licenses, where the customer obtains a "right to use" the licenses is recognized at the point in time when the related license is made available to the customer. Revenue from licenses where the customer obtains a "right to access" is recognized over the access period and is included in Revenue from Services.

Contract balances

Contract assets: The Group classifies its right to consideration in exchange for deliverables as either a receivable or as unbilled revenue. A receivable is a right to consideration that is unconditional upon passage of time. Revenues in excess of billings is recorded as unbilled revenue and is classified as a financial asset where the right to consideration is unconditional upon passage of time. Unbilled revenue which is conditional is classified as other current assets. Trade receivables and unbilled revenue is presented net of impairment.

Contract liabilities: A contract liability (which we referred to as Unearned Revenue) is the obligation to transfer goods or services to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Group transfers goods or services to the customer, a contract liability is recognised when the payment is received.

Interest income

Interest income is recognised when it is probable that the economic benefits will flow to the Group and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principle outstanding and at the effective interest rate applicable, which is the rate that discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition. Interest income is included under the head 'other income' in the statement of profit and loss.

For all financial instruments measured at amortised cost, interest income is recorded using the effective interest rate, which is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial asset. Interest income is included in 'other income' in the statement of profit and loss.

Dividend income

Dividend income on investments is accounted when the right to receive the dividend is established, which is generally when shareholders approve the dividend. Dividend income is included under the head "Other income" in the statement of profit and loss.

(b) Business Combination

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred, which is measured at acquisition date fair value, and the amount of any non-controlling interests in the acquiree. For each business combination, the Group elects whether to measure the non-controlling interests in the acquiree at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition-related costs are expensed as incurred and included in other expenses.

Notes to the Consolidated Financial Statements for the year ended March 31, 2026

(All amounts in ₹ lakhs, unless otherwise stated)

At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognised at their acquisition date fair values. For this purpose, the liabilities assumed include contingent liabilities representing present obligation and they are measured at their acquisition fair values irrespective of the fact that outflow of resources embodying economic benefits is not probable. However, the following assets and liabilities acquired in a business combination are measured at the basis indicated below:

- Deferred tax assets or liabilities, and the assets or liabilities related to employee benefit arrangements are recognised and measured in accordance with Ind AS 12 Income Tax and Ind AS 19 Employee Benefits respectively.
- Liabilities or equity instruments related to share based payment arrangements of the acquiree or share based payments arrangements of the Group entered into to replace share-based payment arrangements of the acquiree are measured in accordance with Ind AS 102 Share-based Payments at the acquisition date.
- Assets (or disposal Groups) that are classified as held for sale in accordance with Ind AS 105 Non-current Assets Held for Sale and Discontinued Operations are measured in accordance with that standard.
- Reacquired rights are measured at a value determined on the basis of the remaining contractual term of the related contract. Such valuation does not consider potential renewal of the reacquired right.

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date. This includes the separation of embedded derivatives in host contracts by the acquiree.

Any contingent consideration to be transferred by the acquirer is recognised at fair value at the acquisition date. Contingent consideration classified as an asset or liability that is a financial instrument and within the scope of Ind AS 109 Financial Instruments, is measured at fair value with changes in fair value recognised in statement of profit and loss in accordance with Ind AS 109. If the contingent consideration is not within the scope of Ind AS 109, it is measured in accordance with the appropriate Ind AS and shall be recognised in statement of profit and loss. Contingent consideration that is classified as equity is not re-measured at subsequent reporting dates and subsequent its settlement is accounted for within equity.

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and any previous interest held, over the net identifiable assets acquired and liabilities assumed. If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Group re-assesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognised at the acquisition date. If the reassessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognised in Other Comprehensive Income (OCI) and accumulated in equity as capital reserve. However, if there is no clear evidence of bargain purchase, the entity recognises the gain directly in equity as capital reserve, without routing the same through OCI.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

(c) Property, plant and equipment

Property, plant and equipment are stated at historical cost less accumulated depreciation, and accumulated impairment loss, if any. Historical cost comprises of the purchase price including duties and non-refundable taxes, borrowing cost if capitalisation criteria are met, directly attributable expenses incurred to bring the asset to the location and condition necessary for it to be capable of being operated in the manner intended by management and initial estimate of decommissioning, restoring and similar liabilities.

Notes to the Consolidated Financial Statements for the year ended March 31, 2026

(All amounts in ₹ lakhs, unless otherwise stated)

Subsequent costs related to an item of property, plant and equipment are recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are recognised in statement of profit and loss during the reporting period when they are incurred.

An item of property, plant and equipment is derecognised on disposal or when no future economic benefits are expected from its use or disposal. The gains or losses arising from derecognition are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit and loss when the asset is derecognised.

Property, plant and equipment individually costing ₹ 5,000 or less are depreciated at 100% in the year in which such assets are ready to use.

Depreciation is calculated using the straight-line method over their estimated useful lives as follows:

Capital work in progress is stated at cost, net of accumulated impairment loss if any.

The estimates of useful lives of tangible assets are as follows:

Class of asset	Useful life as per schedule II	Useful life as per Company
Furniture and fixtures	10 years	5 years
Office equipment (including solar panels)	5 years - 15 years	4 years-15 years
Buildings	60 years	50 years
Vehicles	8-10 years	4 years
Computer systems	6 years for server 3 years for other than server	2.5-3 years

Leasehold improvements are amortised over the period of the lease or life of the asset whichever is less.

The useful lives have been determined based on technical evaluation done by the management's expert which in certain instances are different from those specified by Schedule II to the Companies Act, 2013, in order to reflect the actual usage of the assets. The assets residual values and useful life are reviewed, and adjusted if appropriate, at the end of each reporting period. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

(d) Intangible assets

Goodwill

Goodwill on acquisitions of business is included in intangible assets. Goodwill is not amortised but it is tested for impairment annually, or more frequently if events or changes in circumstances indicate that it might be impaired, and is carried at cost less accumulated impairment losses. Gains and losses on the disposal of a business include the carrying amount of goodwill relating to the business sold.

Goodwill is allocated to cash-generating units for the purpose of impairment testing. The allocation is made to those cash-generating units or Group of cash-generating units that are expected to benefit from the business combination in which the goodwill arose. The units or Group of units are identified at the lowest level at which goodwill is monitored for internal management purposes.

Other intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses.

Notes to the Consolidated Financial Statements for the year ended March 31, 2026

(All amounts in ₹ lakhs, unless otherwise stated)

An item of intangible asset is derecognised on disposal or when no future economic benefits are expected from its use or disposal. The gains or losses arising from derecognition are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit and loss when the asset is derecognised.

Amortisation methods and periods

The Group amortises intangible assets with a finite useful life using the straight-line method over the following periods:

Asset	Life in Years
Computer software	2.5-3 years
Non compete fees	3 years
Customer relations	3-8 years
Trade mark	2-3 years
Exclusive license	2 years

The estimated useful life of the intangible assets and the amortisation period are reviewed at the end of the each financial year and the amortisation period is revised to reflect the changed pattern, if any.

Research costs are expensed as incurred. Development expenditures on an individual project are recognised as an intangible asset when the Group can demonstrate:

- The technical feasibility of completing the intangible asset so that the asset will be available for use or sale
- Its intention to complete and its ability and intention to use or sell the asset
- How the asset will generate future economic benefits
- The availability of resources to complete the asset
- The ability to measure reliably the expenditure during development

Subsequent costs related to Intangible assets are recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably.

(e) Impairment of non-financial assets

The Group assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

The Group bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Group's Cash Generating Unit's (CGU's) to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five years. For longer periods, a long-term growth rate is calculated

Notes to the Consolidated Financial Statements for the year ended March 31, 2026

(All amounts in ₹ lakhs, unless otherwise stated)

and applied to project future cash flows after the fifth year. To estimate cash flow projections beyond periods covered by the most recent budgets/forecasts, the Group extrapolates cash flow projections in the budget using a steady or declining growth rate for subsequent years, unless an increasing rate can be justified. In any case, this growth rate does not exceed the long-term average growth rate for the products, industries, or country or countries in which the Group operates, or for the market in which the asset is used.

Impairment losses of continuing operations, including impairment on inventories, are recognised in the statement of profit and loss, except for properties previously revalued with the revaluation surplus taken to Other Comprehensive Income (OCI). For such properties, the impairment is recognised in OCI up to the amount of any previous revaluation surplus.

For assets excluding goodwill, an assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Group estimates the asset's or Cash Generating Unit's (CGU's) recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the statement of profit and loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

Goodwill is tested for impairment annually and when circumstances indicate that the carrying value may be impaired.

Impairment is determined for goodwill by assessing the recoverable amount of each Cash Generating Unit (CGU) (or group of CGUs) to which the goodwill relates. When the recoverable amount of the CGU is less than its carrying amount, an impairment loss is recognised. Impairment losses relating to goodwill cannot be reversed in future periods.

(f) Borrowing cost

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

(g) Leases

The Group has lease contracts for various items of computers, vehicles and buildings used in its operations. Lease terms generally ranges between 1 and 5 years.

The Group assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Group as lessee

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

Right-of-use assets

The Group recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

Notes to the Consolidated Financial Statements for the year ended March 31, 2026

(All amounts in ₹ lakhs, unless otherwise stated)

If ownership of the leased asset transfers to the Group at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

The right-of-use assets are also subject to impairment. Refer to the accounting policies in note 2(e) for policy on impairment of non-financial assets.

Lease liabilities

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating the lease, if the lease term reflects the Group exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to its short-term leases of machinery and equipment (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

Lease and non-lease component

As per Ind AS - 116, "As a practical expedient, a lessee may elect, by class of underlying asset, not to separate non-lease components from lease components, and instead account for each lease component and any associated non-lease components as a single lease component.

The Group has not opted for this practical expedient and have accounted for Lease component only.

Extension and termination option

The Group has several lease contracts that include extension and termination options. These options are negotiated by management to provide flexibility in managing the leased-asset portfolio and align with the Group's business needs. Management exercises significant judgement in determining whether these extension and termination options are reasonably certain to be exercised. Management have not considered any future cash outflow for which they are potentially exposed arising due to extension and termination options.

(h) Financial Instruments

Financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Non-derivative financial instruments :

a) Financial assets

Initial recognition and measurement

Financial assets are classified, at initial recognition, as subsequently measured at amortised cost, fair value through Other Comprehensive Income (OCI), and fair value through profit or loss.

Notes to the Consolidated Financial Statements for the year ended March 31, 2026

(All amounts in ₹ lakhs, unless otherwise stated)

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Group's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient, the Group initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs. Trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient are measured at the transaction price determined under Ind AS - 115.

In order for a financial asset to be classified and measured at amortised cost or fair value through other comprehensive income (OCI), it needs to give rise to cash flows that are 'solely payments of principle and interest (SPPI)' on the principle amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level. Financial assets with cash flows that are not SPPI are classified and measured at fair value through profit or loss, irrespective of the business model.

The Group's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both. Financial assets classified and measured at amortised cost are held within a business model with the objective to hold financial assets in order to collect contractual cash flows while financial assets classified and measured at fair value through other comprehensive income are held within a business model with the objective of both holding to collect contractual cash flows and selling.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Group commits to purchase or sell the asset.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

- Debt instruments at amortised cost
- Debt instruments at Fair Value Through Other Comprehensive Income (FVTOCI)
- Debt instruments, derivatives and equity instruments at Fair Value Through Profit and Loss (FVTPL)
- Equity instruments measured at Fair Value Through Other Comprehensive Income (FVTOCI)

Debt instruments at amortised cost

A 'Debt instrument' is measured at the amortised cost if both the following conditions are met:

- a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principle and interest (SPPI) on the principle amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the Effective Interest Rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in other income in the statement of profit and loss. The losses arising from impairment are recognised in the statement of profit and loss. This category generally applies to trade and other receivables. For more information on receivables, refer to Note 12.

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Debt instrument at FVTOCI

A 'Debt instrument' is classified as at the Fair Value Through Other Comprehensive Income (FVTOCI) if both of the following criteria are met:

- The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
- The asset's contractual cash flows represent solely payments of principle and interest (SPPI).

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognised in the Other Comprehensive Income (OCI). However, the Group recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the statement of profit and loss. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to profit and loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the Effective Interest Rate (EIR) method.

Debt instrument at FVTPL

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as Fair Value Through Other Comprehensive Income (FVTOCI), is classified as at Fair Value Through Profit or Loss (FVTPL).

In addition, the Group may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). The Group has not designated any debt instrument as at FVTPL.

Debt instruments included within the FVTPL category are measured at fair value with all changes recognised in the Statement of Profit and Loss.

Equity investments

All equity investments in scope of Ind AS - 109 are measured at fair value. Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business combination to which Ind AS - 103 applies are classified as at Fair Value Through Profit or Loss (FVTPL). For all other equity instruments, the Group may make an irrevocable election to present in Other Comprehensive Income (OCI) subsequent changes in the fair value. The Group makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Group decides to classify an equity instrument as at Fair Value Through Other Comprehensive Income (FVTOCI), then all fair value changes on the instrument, excluding dividends, are recognised in the OCI. There is no recycling of the amounts from OCI to profit and loss, even on sale of investment. However, the Group may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognised in the Statement of Profit and Loss.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a Group of similar financial assets) is primarily derecognised (i.e. removed from the Group's Consolidated Balance Sheet) when:

- The rights to receive cash flows from the asset have expired, or
- The Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group

Notes to the Consolidated Financial Statements for the year ended March 31, 2026

(All amounts in ₹ lakhs, unless otherwise stated)

has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Group continues to recognise the transferred asset to the extent of the Group's continuing involvement. In that case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

Reclassification of financial assets

The Group determines classification of financial assets on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The Group's senior management determines change in the business model as a result of external or internal changes which are significant to the Group's operations. Such changes are evident to external parties. A change in the business model occurs when the Group either begins or ceases to perform an activity that is significant to its operations. If the Group reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Group does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

Impairment of financial assets

In accordance with Ind AS - 109, the Group applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

- Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, deposits, trade receivables, unbilled receivables and bank balance
- Trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS - 115.

The Group follows 'simplified approach' for recognition of impairment loss allowance on:

- Trade receivables, unbilled revenue and contract assets

The application of simplified approach does not require the Group to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

The Group recognises an allowance for expected credit losses (ECLs) for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

For recognition of impairment loss on other financial assets and risk exposure, the Group determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.

Notes to the Consolidated Financial Statements for the year ended March 31, 2026

(All amounts in ₹ lakhs, unless otherwise stated)

b) Financial Liabilities :

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at Fair Value Through Profit or Loss (FVTPL), loans and borrowings, or as payables, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Group's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts. The subsequent measurement of financial liabilities depends on their classification, which is described below.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at Fair Value Through Profit or Loss (FVTPL)

Financial liabilities at Fair Value Through Profit or Loss (FVTPL) include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Group that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments. Gains or losses on liabilities held for trading are recognised in the statement of profit and loss.

Financial liabilities designated upon initial recognition at fair value through profit and loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS - 109 are satisfied. For liabilities designated as FVTPL, fair value gains or losses attributable to changes in own credit risk are recognised in Other Comprehensive Income (OCI). These gain or loss are not subsequently transferred to statement of profit and loss. However, the Group may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit and loss. The Group has not designated any financial liability as at fair value through profit or loss.

c) Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the Effective Interest Rate (EIR) method. Gains or losses are recognised in the statement of profit and loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

This category generally applies to borrowings. For more information refer note 19.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit and loss.

d) Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount presented in the balance sheet when, and only when, the Group current has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realize the asset and settle the liability simultaneously.

Notes to the Consolidated Financial Statements for the year ended March 31, 2026

(All amounts in ₹ lakhs, unless otherwise stated)

Derivative financial instruments

Initial recognition and subsequent measurement :

The Group uses derivative financial instruments, such as forward currency contracts and interest rate swaps to hedge its foreign currency risks and interest rate risks, respectively. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Any gains or losses arising from changes in the fair value of derivatives are taken directly to profit and loss, except for the effective portion of cash flow hedges, which is recognised in Other Comprehensive Income (OCI) and later reclassified to statement of profit and loss when the hedge item affects profit or loss or treated as basis adjustment if a hedged forecast transaction subsequently results in the recognition of a non-financial asset or non-financial liability.

For the purpose of hedge accounting, hedges are classified as:

- Fair value hedges when hedging the exposure to changes in the fair value of a recognised asset or liability or an unrecognised firm commitment
- Cash flow hedges when hedging the exposure to variability in cash flows that is either attributable to a particular risk associated with a recognised asset or liability or a highly probable forecast transaction or the foreign currency risk in an unrecognised firm commitment
- Hedges of a net investment in a foreign operation

At the inception of a hedge relationship, the Group formally designates and documents the hedge relationship to which it wishes to apply hedge accounting and the risk management objective and strategy for undertaking the hedge.

The documentation includes identification of the hedging instrument, the hedged item, the nature of the risk being hedged and how the Group will assess whether the hedging relationship meets the hedge effectiveness requirements (including the analysis of sources of hedge ineffectiveness and how the hedge ratio is determined). A hedging relationship qualifies for hedge accounting if it meets all of the following effectiveness requirements:

- There is 'an economic relationship' between the hedged item and the hedging instrument.
- The effect of credit risk does not 'dominate the value changes' that result from that economic relationship.
- The hedge ratio of the hedging relationship is the same as that resulting from the quantity of the hedged item that the Group actually hedges and the quantity of the hedging instrument that the Group actually uses to hedge that quantity of hedged item.

Hedges that meet all the qualifying criteria for hedge accounting are accounted for, as described below:

Cash flow hedges

The Group designates certain foreign exchange forward and Cross currency interest rate swaps as cash flow hedges with an intention to hedge its existing liabilities and highly probable transaction in foreign currency. When a derivative is designated as a cash flow hedge instrument, the effective portion of changes in the fair value of the derivative is recognised in other comprehensive income and accumulated in the cash flow hedge reserve. Any ineffective portion of changes in the fair value of the derivative is recognised immediately in the Statement of Profit and Loss. If the hedging instrument no longer meets the criteria for hedge accounting, then hedge accounting is discontinued prospectively. If the hedging instrument expires or is sold, terminated or exercised, the cumulative gain or loss on the hedging instrument recognised in cash flow hedge reserve till the period the hedge was effective remains in cash flow hedge reserve until the forecasted transaction occurs. The cumulative gain or

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loss previously recognised in the cash flow hedge reserve is transferred to the net profit in the Statement of Profit and Loss upon the occurrence of the related forecasted transaction. If the forecasted transaction is no longer expected to occur, then the amount accumulated in cash flow hedge reserve is reclassified to the Statement of Profit and Loss.

Fair value hedges

The Group designates certain interest rate swap contracts as fair value hedges to hedge the exposure to changes in the fair value of its borrowings attributable to interest rate risk.

Changes in the fair value of the hedging instrument are recognised immediately in the Statement of Profit and Loss. The change in the fair value of the hedged item attributable to the hedged risk is also recognised in the Statement of Profit and Loss, with a corresponding adjustment to the carrying amount of the hedged item

The net impact representing hedge ineffectiveness, if any, is recognised in the Statement of Profit and Loss.

(i) Fair value measurement

Fair value' is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date in the principal or, in its absence, the most advantageous market to which the Group has access at that date. The fair value of a liability reflects its non-performance risk. All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

(j) Cash and cash equivalents

Cash and cash equivalents in the balance sheet and cash flow statement comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the Consolidated Cash Flow Statement, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Group's cash management.

(k) Foreign currency translation

Functional and presentation currency

Items included in the financial statements of the Group are measured using the currency of the primary economic environment in which the entity operates (the functional currency). The financial statements are presented in Indian rupee (₹), which is functional and presentation currency of the Parent

Notes to the Consolidated Financial Statements for the year ended March 31, 2026

(All amounts in ₹ lakhs, unless otherwise stated)

Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are recognised in Statement of Profit and Loss.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.

Exchange differences arising on settlement or translation of monetary items are recognised in the statement of profit and loss with the exception of the following:

- Exchange differences arising on monetary items that forms part of a reporting entity's net investment in a foreign operation are recognised in the statement of profit and loss in the separate financial statements of the reporting entity or the individual financial statements of the foreign operation, as appropriate. In the financial statements that include the foreign operation and the reporting entity (e.g., Consolidated Financial Statements when the foreign operation is a subsidiary), such exchange differences are recognised initially in Other Comprehensive Income (OCI). These exchange differences are reclassified from equity to the statement of profit and loss on disposal of the net investment.
- Exchange differences arising on monetary items that are designated as part of the hedge of the Group's net investment of a foreign operation. These are recognised in OCI until the net investment is disposed of, at which time, the cumulative amount is reclassified to the Statement of Profit and Loss.
- Tax charges and credits attributable to exchange differences on those monetary items are also recorded in OCI.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in OCI or the statement of profit and loss are also recognised in OCI or the statement of profit and loss, respectively).

In determining the spot exchange rate to use on initial recognition of the related asset, expense or income (or part of it) on the derecognition of a non-monetary asset or non-monetary liability relating to advance consideration, the date of the transaction is the date on which the Group initially recognises the non-monetary asset or non-monetary liability arising from the advance consideration. If there are multiple payments or receipts in advance, the Group determines the transaction date for each payment or receipt of advance consideration.

Group Companies

On consolidation, the assets and liabilities of foreign operations are translated into ₹ at the rate of exchange prevailing at the reporting date and their profit or loss are translated at exchange rates prevailing at the dates of the transactions. For practical reasons, the Group uses an average rate to translate income and expense items, if the average rate approximates the exchange rates at the dates of the transactions. The exchange differences arising on translation for consolidation are recognised in Other Comprehensive Income (OCI). On disposal of a foreign operation, the component of OCI relating to that particular foreign operation is recognised in the statement of profit and loss.

Any goodwill arising in the acquisition/ business combination of a foreign operation and any fair value adjustments to the carrying amounts of assets and liabilities arising on the acquisition are treated as assets and liabilities of the foreign operation and translated at the spot rate of exchange at the reporting date.

Any goodwill or fair value adjustments arising in business combinations/ acquisitions, which occurred before the date of transition to Ind AS (April 1 2018), are treated as assets and liabilities of the entity rather than as assets and liabilities of the foreign operation. Therefore, those assets and liabilities are non-monetary items already expressed in the functional currency of the Parent and no further translation differences occur.

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(All amounts in ₹ lakhs, unless otherwise stated)

Gain or loss on a subsequent disposal of any foreign operation excludes translation differences that arose before the date of transition but includes only translation differences arising after the transition date

(l) Employee Benefits

Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current financial liabilities in the balance sheet.

Accumulated leave, which is expected to be utilized within the next 12 months, is treated as short-term employee benefit. The Group measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

Other long-term employee benefit obligations

The liabilities for leave balance are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields on government bonds at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in statement of profit and loss.

The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

Post-employment obligations

The Group operates the following post-employment schemes:

- (a) defined benefit plans - gratuity, and
- (b) defined contribution plans such as provident fund.

Gratuity obligations

The liability or asset recognised in the balance sheet in respect of defined benefit gratuity plan is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by an independent actuary using the projected unit credit method.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have term approximating the term of the related obligation. The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the Statement of Changes in Equity and in the balance sheet. Such accumulated re-measurement balances are never reclassified into the Statement of Profit and Loss subsequently.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit and loss as past service costs.

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Defined contribution plan

Retirement benefit in the form of provident fund scheme, Social security, National Insurance, Superannuation, Medicare schemes are the defined contribution plans. The Group has no obligation, other than the contribution payable. The Group recognizes contribution payable to these schemes as an expenditure, when an employee renders the related service.

(m) Employee share based payments

Certain employees of the Group receive remuneration in the form of share-based payments, whereby employees render services as consideration for equity instruments.

Equity-settled transactions:

The cost of equity-settled transactions is determined by the fair value at the date when the grant is made using a Black Scholes model except for the option on date of modification of plan from cash settled to equity settled transaction.

That cost is recognised, together with a corresponding increase in employees stock option reserves in equity, over the period in which the performance and/or service conditions are fulfilled in employee benefits expense. The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Group's best estimate of the number of equity instruments that will ultimately vest. The expense or credit in the statement of profit and loss for a period represents the movement in cumulative expense recognised as at the beginning and end of that period and is recognised in employee benefits expense.

Service and non-market performance conditions are not taken into account when determining the grant date fair value of awards, but the likelihood of the conditions being met is assessed as part of the Group's best estimate of the number of equity instruments that will ultimately vest. Market performance conditions are reflected within the grant date fair value. Any other conditions attached to an award, but without an associated service requirement, are considered to be non-vesting conditions. Non-vesting conditions are reflected in the fair value of an award and lead to an immediate expensing of an award unless there are also service and/or performance conditions.

No expense is recognised for awards that do not ultimately vest because non-market performance and/or service conditions have not been met. Where awards include a market or non-vesting condition, the transactions are treated as vested irrespective of whether the market or non-vesting condition is satisfied, provided that all other performance and/or service conditions are satisfied.

The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

(n) Exceptional items

Exceptional items are income or expenses that arise from events or transactions that are clearly distinct from the ordinary activities of the Group and, therefore, are not expected to recur frequently or regularly. In accordance with the requirements of Guidance Note on Schedule III to the Companies Act 2023, exceptional items are disclosed on the face of the Statement of Profit and Loss and details of the individual items are disclosed in the Notes.

(o) Taxation

Income tax comprises of current tax and deferred tax. It is recognised in the Statement of Profit and Loss except to the extent that it relates to an item recognised directly in the Other Comprehensive Income.

Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the countries where the Group operates and generates taxable income.

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Current income tax relating to items recognised outside the Statement of Profit and Loss is recognised outside profit and loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in Other Comprehensive Income (OCI) or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

In the situations where one or more entities in the Group are entitled to a tax holiday under the Income-tax Act, 1961 enacted in India or tax laws prevailing in the respective tax jurisdictions where they operate, no deferred tax (asset or liability) is recognised in respect of temporary differences which reverse during the tax holiday period, to the extent the concerned entity's gross total income is subject to the deduction during the tax holiday period. Deferred tax in respect of temporary differences which reverse after the tax holiday period is recognised in the year in which the temporary differences originate. However, the Group restricts recognition of deferred tax assets to the extent it is probable that sufficient future taxable income will be available against which such deferred tax assets can be realized. For recognition of deferred taxes, the temporary differences which originate first are considered to reverse first.

Current tax assets and current tax liabilities are offset when there is a legally enforceable right to set off the recognised amounts, and there is an intention to settle the asset and the liability on a net basis.

Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit and loss
- In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except:

- When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit and loss
- In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised, or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Notes to the Consolidated Financial Statements for the year ended March 31, 2026

(All amounts in ₹ lakhs, unless otherwise stated)

Deferred tax relating to items recognised outside profit and loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Tax benefits acquired as part of a business combination, but not satisfying the criteria for separate recognition at that date, are recognised subsequently if new information about facts and circumstances change. Acquired deferred tax benefits recognised within the measurement period reduce goodwill related to that acquisition if they result from new information obtained about facts and circumstances existing at the acquisition date. If the carrying amount of goodwill is zero, any remaining deferred tax benefits are recognised in OCI/ capital reserve depending on the principle explained for bargain purchase gains. All other acquired tax benefits realised are recognised in profit and loss.

The Group offsets deferred tax assets and deferred tax liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

(p) Treasury shares

The Group has created an Employee Benefit Trust (EBT) for providing share-based payment to its employees. The Group uses EBT as a vehicle for distributing shares to employees under the employee remuneration schemes. The EBT buys shares from the Parent, for giving shares to employees. The Group treats EBT as its extension and shares held by EBT are treated as treasury shares. Refer note 16.

No gain or loss is recognised in Statement of Profit and Loss on the issue or cancellation of the Group's own equity instruments.

On consolidation of EBT with the Group, the value of shares held by trust is shown as a deduction from equity (i.e. reduction from share capital to the extent of face value and remaining from securities premium). Gains/ losses recognized by the trust on issue of shares are shown as a part of securities premium.

Share options exercised during the reporting period are issued from the treasury shares.

(q) Provisions and Contingent Liabilities

Provisions

Provisions are recognised when there is a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, in respect of which a reliable estimate can be made of the amount of the obligation.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Provision for warranty

As per the terms of the contracts, the Group provides post-contract services / warranty support to some of its customers. The Group accounts for the post-contract support / provision for warranty on the basis of the information available with the management duly taking into account the current and past technical estimates. The estimate of such warranty-related costs is revised annually.

Contingent Liabilities

A contingent liability is a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be

Notes to the Consolidated Financial Statements for the year ended March 31, 2026

(All amounts in ₹ lakhs, unless otherwise stated)

recognised because it cannot be measured reliably. The Group does not recognize a contingent liability but discloses it in the financial statements, unless the possibility of an outflow of resources embodying economic benefits is remote.

(r) Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker (CODM). The Group has identified three reportable segment based on the dominant source, nature of risks and return and the internal organisation and management structure and for which discrete financial information is available. The Executive Management Committee monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment. Refer note 42 for segment information.

(s) Earnings/(Loss) per share

Basic earnings per share is calculated by dividing the net profit or loss attributable to equity holders of Parent Company (after deducting preference dividends and attributable taxes) by the weighted average number of equity shares outstanding during the period (including treasury shares).

The weighted average number of equity shares outstanding during the period is adjusted for events such as bonus issue, bonus element in a rights issue, share split, and reverse share split (consolidation of shares) that have changed the number of equity shares outstanding, without a corresponding change in resources.

For the purpose of calculating diluted earnings per share, the net profit and loss for the period attributable to equity shareholders of the Parent and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares. The weighted average number of shares takes into account the weighted average effect of changes in treasury share transactions and CCPS during the year

Ordinary shares that will be issued upon the conversion of a mandatorily convertible instrument are included in the calculation of basic earnings per share from the date the contract is entered into.

(t) Recent Pronouncement

Ministry of Corporate Affairs ('MCA') notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time.

In May 2025, MCA notified amendments to Ind AS 21 - The Effects of Changes in Foreign Exchange Rates, applicable w.e.f. 1 April 2025. The Company has reviewed the amendment and based on its evaluation has determined that it does not have any significant impact on the Consolidated Financial Statements.

In August 2025, MCA notified the following amendments to:

- (i) Ind AS 1, Presentation of Financial Statements, applicable w.e.f. 1 April 2025 - The amendment relates to classification of liabilities as current or non-current and non-current liabilities with covenants. In the context of classifying a liability as current, it removes the requirement of existence of a right to defer settlement for at least 12 months after the reporting date and instead requires that the said right should exist on the reporting date and have substance. The amendment also introduces guidance on classification of liabilities with covenants. The Consolidated Financial Statements has no impact of these amendments in its classification criteria of current and non-current liabilities.
- (ii) Ind AS 7, Statement of Cash Flows and Ind AS 107, Financial Instruments - Disclosures, applicable w.e.f. 1 April 2025 - The amendment in Ind AS 7 requires to inform users of financial statements of the existence of supplier finance arrangements and explain the nature of the arrangements, the carrying amount of liabilities and the range of payment due dates. Ind AS 107 has been amended to add supplier finance arrangements as a factor that may cause concentration of liquidity risk. The Company has reviewed the amendment and based on its evaluation has determined that it does not have any significant impact on the Consolidated Financial Statements.

Notes to the Consolidated Financial Statements for the year ended March 31, 2026

(All amounts in ₹ lakhs, unless otherwise stated)

- (iii) Ind AS 12, Income Taxes - International Tax Reform - Pillar Two Model Rules applicable immediately - The amendments provide a temporary mandatory relief from deferred tax accounting for top-up tax and disclose that they have applied the relief. This relief is immediate and applies retrospectively. The Company has reviewed the amendment and based on its evaluation has determined that it does not have any significant impact on the Consolidated Financial Statements.

(u) Critical estimates and judgements

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the grouping disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of asset or liability affected in future periods. The areas involving significant estimates or critical judgements are:

Significant judgments and estimates

(a) Defined benefit plans

The cost of the defined benefit gratuity plan and other post-employment benefit and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate and future salary increases. Due to complexities involved in the valuation and its long term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The parameter most subject to change is the discount rate. The mortality rate is based on publicly available mortality table in India. The mortality tables tend to change only at interval in response to demographic changes. Further salary increases and gratuity increases are based on expected future inflation rates. Further details about the gratuity obligations are given in Note 34.

(b) Revenue recognition

The Group uses the percentage-of-completion method in accounting for its fixed-price contracts. Use of the percentage-of-completion method requires the Group to estimate the efforts or costs expended to date as a proportion of the total efforts or costs to be expended. Efforts or costs expended have been used to measure progress towards completion as there is a direct relationship between input and productivity.

Provisions for estimated losses, if any, on uncompleted contracts are recorded in the period in which such losses become probable based on the expected contract estimates at the reporting date.

(c) Business combination and intangible assets

Business combinations are accounted for using Ind AS 103, Business Combinations. Judgement is required to determine the date on which the group acquired control. Ind AS 103 requires the identifiable intangible assets and contingent consideration to be fair valued in order to ascertain the fair value of identifiable assets, liabilities and contingent liabilities of the acquiree. These valuations are conducted by external valuation experts. Estimates are required to be made in determining the value of contingent consideration and intangible assets. These measurements are based on information available at the acquisition date and are based on expectations and assumptions that have been deemed reasonable by the Management. Judgement is required to determine the acquisition date i.e. the date on which the group acquired control.

(d) Impairment of Goodwill

Goodwill is tested for impairment on an annual basis and whenever there is an indication that the recoverable amount of a cash generating unit (CGUs) is less than its carrying amount. For the impairment test, goodwill is allocated to the CGU or groups of CGUs which benefit from the synergies of the acquisition and which represent the lowest level at which goodwill is monitored for internal management purposes. The recoverable amount of CGUs is determined based on higher of value-in-use and fair value less cost to sell. Key assumptions in the cash

Notes to the Consolidated Financial Statements for the year ended March 31, 2026

(All amounts in ₹ lakhs, unless otherwise stated)

flow projections are prepared based on current economic conditions and comprises estimated long term growth rates, weighted average cost of capital and estimated operating margins. Refer note 4.

(e) Investment of equity instrument at fair value through Other comprehensive income

The Group applies judgement to assess whether it has significant influence or control over the investee entities. Where the group determines that it does not exercise significant influence or control, the fair value of equity instrument is measured using valuation techniques including the DCF model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Refer note 36(iv) and 36(v).

(f) Deferred taxes

Deferred tax liabilities are recognised for all taxable temporary differences. Deferred tax assets are recognised for all the deductible temporary differences however the same is restricted to the extent of the deferred tax liabilities unless it is probable that sufficient taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised. Also refer note 10 (A) and 10 (B).

Notes to the Consolidated Financial Statements for the year ended March 31, 2026

(All amounts in ₹ lakhs, unless otherwise stated)

3 Property, plant and equipment

	Land	Building	Computer Systems	Office equipments	Furniture and fixtures	Vehicles	Leasehold improvements	Total	Capital work-in-progress (CWIP)
Cost or valuation									
As at April 01, 2024	4,423	8,486	850	562	215	29	318	14,883	9
Additions	-	-	443	91	8	0	-	542	227
Acquisition of subsidiary	-	-	310	55	19	22	-	407	-
Transfers from CWIP	-	-	-	-	22	-	214	236	(236)
Disposals	-	-	(128)	(2)	-	(14)	-	(144)	-
Exchange difference	-	-	4	-	-	-	-	4	-
As at March 31, 2025	4,423	8,486	1,480	707	264	38	532	15,930	0
Additions	-	-	225	28	9	-	-	263	3
Acquisition of subsidiary	-	-	-	-	-	-	-	-	-
Transfers from CWIP	-	-	-	-	3	-	-	3	(3)
Disposals	-	-	(230)	(4)	-	(39)	-	(273)	-
Exchange difference	-	-	8	0	0	(0)	-	8	-
As at March 31, 2026	4,423	8,486	1,483	731	277	(1)	532	15,931	0
Accumulated depreciation									
As at April 01, 2024	-	287	439	195	54	9	121	1,105	-
Acquisition of subsidiary	-	-	-	-	-	-	-	-	-
Charge for the year	-	189	465	95	45	13	55	863	-
Disposals	-	-	(124)	(2)	-	(11)	-	(136)	-
Exchange difference	-	-	3	(0)	-	0	-	3	-
As at March 31, 2025	-	476	782	289	99	11	176	1,834	-
Charge for the year	-	170	468	110	47	11	72	878	-
Acquisition of subsidiary	-	-	-	-	-	-	-	-	-
Disposals	-	-	(230)	(4)	-	(26)	-	(260)	-
Exchange difference	-	-	3	-	0	0	-	3	-
As at March 31, 2026	-	646	1,024	395	146	(4)	248	2,455	-
Net book value									
As at March 31, 2025	4,423	8,010	698	418	165	26	356	14,096	0
As at March 31, 2026	4,423	7,840	460	336	131	3	284	13,476	0

(*) Represents number below rounding off norms of the Group.

Note:

- (i) Refer note 19 for details of charge created on the Property, plant and equipment.
- (ii) All property, plant and equipment are owned by the Group unless otherwise stated.
- (iii) There are no proceeding initiated or pending against the Group for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.

Capital work-in-progress (CWIP) Ageing

As at March 31, 2026

	Amount in CWIP for a period				Total
	Less than 1 years	1-2 years	2-3 years	More than 3 years	
Projects in progress	0	-	-	-	0
Projects temporarily suspended	-	-	-	-	-
Total	0	-	-	-	0

Notes to the Consolidated Financial Statements for the year ended March 31, 2026

(All amounts in ₹ lakhs, unless otherwise stated)

As at March 31, 2025

	Amount in CWIP for a period				Total
	Less than 1 years	1-2 years	2-3 years	More than 3 years	
Projects in progress	-	-	-	-	-
Projects temporarily suspended	-	-	-	-	-
Total	-	-	-	-	-

4 Goodwill and other intangible assets

i) Goodwill

Cost or valuation	March 31, 2026	March 31, 2025
Deemed cost		
As at April 01	78,118	15,920
Acquisition of subsidiary	-	61,886
Additions	27	-
Exchange difference	1,471	312
As at March 31	79,616	78,118
Accumulated Impairment		
As at April 01	1,888	1,888
As at March 31	1,888	1,888
Net book value as at March 31	77,728	76,230

The Group is organised by three operating segments: Infrastructure Management & Security Services (IMSS), Product and Digital Engineering Services (PDES) and Generative AI Business Services (GBS). During the year ended March 31, 2026, the Group has re-organised its business by operationally integrating its acquisitions and by merging/applying for mergers of the legal entities. Accordingly, goodwill is now monitored at the segment level and has been re-allocated to the CGUs which are expected to benefit from the synergies of the acquisitions.

The allocation of goodwill to the below CGU's as follows:

	March 31, 2026	March 31, 2025
Product and Digital Engineering Services (PDES)	79,192	77,757
Infrastructure Management & Security Services (IMSS)	424	361
	79,616	78,118
Less: Accumulated Impairment		
Product and Digital Engineering Services (PDES)	1,888	1,888
	77,728	76,230

Goodwill is tested for impairment on an annual basis by the Group. The recoverable value of the CGU is determined based on value-in-use calculation using the cash flow projections based on the financial budgets approved by the management covering a five year period.

There is no impairment noted in the CGUs based on the assessment performed by the management. Management has performed sensitivity analysis around the base assumption and have concluded that no reasonable possible change in key assumptions would cause the recoverable amount to be lower than the carrying amount of respective CGU.

Notes to the Consolidated Financial Statements for the year ended March 31, 2026

(All amounts in ₹ lakhs, unless otherwise stated)

The following table sets out the key assumptions for calculation of value-in-use for these CGUs:

	PDES		IMSS	
	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025
Discount rate	16.3% to 23.73%	16.74% to 19.61%	20.00%	20.00%
Long term growth rate	2% to 4%	2% to 4%	2.00%	2.00%
Sales growth	4% to 18%	10% to 25%	2.00%	2.00%
Carrying value of goodwill	77,304	75,806	424	424

The discount rate is based on the Weighted Average Cost of Capital (WACC) which represents the weighted average return attributable to all the assets of the Cash Generating Unit (CGU).

ii) Other intangible assets

	Other intangible assets				Total	Intangible assets under development
	Technology Platform	Customer relationships	Non-compete	Computer software		
Cost or valuation						
Deemed cost						
As at April 01, 2024	-	11,117	398	1,953	13,468	22
Additions	-	-	-	328	328	23
Acquisition of subsidiary	949	18,674	768	-	20,392	-
Transfer from intangible assets under development	-	-	-	27	27	(27)
Exchange difference	(0)	199	1	17	217	-
As at March 31, 2025	949	29,990	1,168	2,325	34,432	18
Additions				278	278	147
Transfer from intangible assets under development	-	-	-	-	-	-
Exchange difference	6	515	3		524	
As at March 31, 2026	955	30,505	1,171	2,603	35,234	165
Accumulated amortisation/ Impairment						
As at April 01, 2024	-	4,045	205	1,432	5,682	-
Charge for the year	122	3,901	324	480	4,827	-
Exchange difference	-	75	2	15	92	-
As at March 31, 2025	122	8,021	531	1,928	10,601	-
Charge for the year	142	3,756	339	352	4,589	
Acquisition of subsidiary					-	
Exchange difference	-	102	3		105	
As at March 31, 2026	264	11,879	872	2,280	15,295	-
Net book value						
As at March 31, 2025	827	21,970	637	397	23,831	18
As at March 31, 2026	691	18,626	299	323	19,939	165

The customer relationships will be fully amortized in 6-7 years (March 31, 2025: 7-8 Years)

Notes to the Consolidated Financial Statements for the year ended March 31, 2026

(All amounts in ₹ lakhs, unless otherwise stated)

Intangibles assets under development Ageing (IAUD)

As at March 31, 2026

	Amount in IAUD for a period				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	165	-	-	-	165
Projects temporarily suspended	-	-	-	-	-
Total	165	-	-	-	165

As at March 31, 2025

	Amount in IAUD for a period				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	18	-	-	-	18
Projects temporarily suspended	-	-	-	-	-
Total	18	-	-	-	18

5 Right-of-use assets

	Computer systems	Office equipment	Office buildings	Motor vehicles	Total
As at April 01, 2024	1,283	96	4,161	158	5,698
Additions	1,682	13	1,596	680	3,971
Acquisition of subsidiary	18	-	548	-	566
Disposals	-	-	(103)	(5)	(108)
Depreciation	(1,105)	(24)	(1,875)	(175)	(3,179)
Exchange Difference	0	-	10	-	10
As at March 31, 2025	1,878	85	4,337	658	6,958
Additions	1,052	-	1,307	206	2,565
Disposals	(1)	-	(64)	(72)	(137)
Depreciation	(1,003)	(23)	(2,066)	(260)	(3,352)
Exchange Difference	(0)	-	22	1	23
As at March 31, 2026	1,926	62	3,536	532	6,056

The average lease period of the leased assets is 3.8years (March 31, 2025: 3.8 years).

The group recognized the following expense in the statement of profit and loss pertaining to leased assets:

	March 31, 2026	March 31, 2025
Interest expense on lease liabilities - refer note 30	677	727
Depreciation of Right-of-use assets -refer note 29	3,352	3,180
Rent expense pertaining to short- term leases -refer note 31	771	631
	4,800	4,539

Notes to the Consolidated Financial Statements for the year ended March 31, 2026

(All amounts in ₹ lakhs, unless otherwise stated)

6 Loans

Carried at amortised cost

	March 31, 2026	March 31, 2025
Current		
Loans considered good - Unsecured		
Loan to employees	33	12
	33	12

7 Other financial assets

	March 31, 2026	March 31, 2025
Non-Current		
(a) Other financial assets carried at amortised cost		
(unsecured, considered good, unless otherwise stated)		
Non-current		
Fixed deposit with maturity of more than 12 months	20,027	37
Margin money deposits - refer note (i) below	6,292	6,286
Security deposit	1,182	1,035
	27,501	7,358
(i) Margin money deposit is used to secure:		
Term loan - Federal bank	6,252	6,252
Guarantees given	40	34
Current		
Interest accrued on fixed deposit	1,129	1,858
Unbilled revenue*	15,398	15,299
Security deposit	273	207
Other receivables	57	120
	16,857	17,484
Credit impaired	65	11
Less: Allowance for credit impaired loans	(65)	(11)
Less: loss allowance on unbilled revenue	(200)	(257)
	16,657	17,227

* Classified as financial asset as right to consideration is unconditional and is due only after a passage of time. Includes ₹ 4,295 lakhs (March 31, 2025 : ₹ 234) from related party. Refer note 39

(b) Derivative instruments carried at fair value through OCI		
Designated as Cash flow hedges		
Foreign currency forward contracts - refer note 37 (B)	7	258
Cross currency interest rate swap - refer note 37 (B)	20	241
	27	499
Total other current financial assets	16,684	17,726

Notes to the Consolidated Financial Statements for the year ended March 31, 2026

(All amounts in ₹ lakhs, unless otherwise stated)

8A Income tax assets (net)

	March 31, 2026	March 31, 2025
Non - current		
Income tax assets (net)	5,389	3,537
	5,389	3,537

8B Income tax liabilities (net)

	March 31, 2026	March 31, 2025
Current		
Income tax liabilities (net)	315	422
	315	422

9 Other assets

Unsecured, considered good, unless otherwise stated

	March 31, 2026	March 31, 2025
Non - current		
Prepaid expenses	174	170
Balances with statutory / government authorities	120	-
	294	170
Current		
Prepaid expenses	3,125	2,644
Balances with statutory / government authorities	842	621
Advance to employees against expenses	78	278
Advance to suppliers	735	500
Other advances	-	6
Contract assets	5,479	1,661
	10,259	5,710
Less: loss allowance on contract assets	(71)	(28)
	10,188	5,682

10A Deferred tax assets (net)

	March 31, 2026	March 31, 2025
Deferred tax assets (net)	4,408	3,613
	4,408	3,613

Notes to the Consolidated Financial Statements for the year ended March 31, 2026

(All amounts in ₹ lakhs, unless otherwise stated)

Significant components and movement in deferred tax assets and liabilities during the year ended March 31, 2026 :

	April 01, 2025	Business Acquisition	Recognised in profit or loss	Recognised in Other comprehensive income	Foreign currency translation reserve	March 31, 2026
Mutual funds	(312)	-	(531)	-	-	(843)
Goodwill	(154)	-	0	-	-	(154)
Property, plant and equipment and intangible assets	(186)	-	(100)	-	-	(286)
Derivative liabilities, net	83	-	-	978	-	1,061
Loss allowance on trade receivables	584	-	(159)	-	-	425
Right-of-use assets	(1,442)	-	7	-	-	(1,435)
Lease liability	1,763	-	4	-	-	1,767
Provision for gratuity and leave encashment	1,872	-	911	(142)	-	2,641
Employee related liabilities	455	-	(193)	-	-	262
Others	951	-	(47)	-	67	971
Deferred tax assets (net)	3,613	-	(108)	836	67	4,408

Significant components and movement in deferred tax assets and liabilities during the year ended March 31, 2025 :

	April 01, 2024	Business Acquisition	Recognised in profit or loss	Recognised in Other comprehensive income	Foreign currency translation reserve	March 31, 2025
Mutual funds	-	-	(312)	-	-	(312)
Goodwill	(154)	-	-	-	-	(154)
Property, plant and equipment and intangible assets	(232)	160	(114)	-	-	(186)
Derivative assets	10	-	-	73	-	83
Loss allowance on trade receivables	217	54	313	-	-	584
Right-of-use assets	(1,434)	(5)	(3)	-	-	(1,442)
Lease liability	1,763	-	-	-	-	1,763
Provision for gratuity and leave encashment	932	245	556	139	-	1,872
Employee related liabilities	308	-	147	-	-	455
Others	227	215	398	106	5	951
Deferred tax assets (net)	1,636	669	985	318	5	3,613

Notes to the Consolidated Financial Statements for the year ended March 31, 2026

(All amounts in ₹ lakhs, unless otherwise stated)

10B Deferred tax liabilities (net)

	March 31, 2026	March 31, 2025
Deferred tax liabilities (net)	3,940	4,841
	3,940	4,841

Significant components and movement in deferred tax assets and liabilities during the year ended March 31, 2026 :

	April 01, 2025	Business Acquisition	Recognised in profit or loss	Recognised in Other comprehensive income #	Foreign currency translation reserve	March 31, 2026
Property, plant and equipment and intangible assets	4,841	-	(901)	-	-	3,940
Deferred tax liabilities (net)	4,841	-	(901)	-	-	3,940

Significant components and movement in deferred tax assets and liabilities during the year ended March 31, 2025 :

	April 01, 2024	Business Acquisition	Recognised in profit or loss	Recognised in Other comprehensive income #	Foreign currency translation reserve	March 31, 2025
Property, plant and equipment and intangible assets	1,902	3,916	(977)	-	-	4,841
Interest payable	(38)	-	38	-	-	-
Loss allowance on trade receivables	(60)	-	60	-	-	-
Equity instrument at FVOCI	(351)	-	351	-	-	-
Provision for gratuity and leave encashment	(91)	-	91	-	-	-
Others	(59)	-	59	-	-	-
Deferred tax liabilities (net)	1,303	3,916	(378)	-	-	4,841

#excludes impact of Foreign currency translation reserve

11 Investments

Current

Carried at fair value through statement of profit and loss

	March 31, 2026	March 31, 2025
Quoted		
Investment in mutual funds*	50,352	35,039
	50,352	35,039
Aggregate book value of quoted investments	50,352	35,039
Aggregate market value of quoted investments	50,352	35,039
Aggregate value of unquoted investments	-	-

*Includes mutual fund investments on which a lien has been marked amounting to ₹ 41,336 lakhs as at March 31, 2026 (March 31, 2025: Nil).

Notes to the Consolidated Financial Statements for the year ended March 31, 2026

(All amounts in ₹ lakhs, unless otherwise stated)

12 Trade receivables

Carried at amortised cost

	March 31, 2026	March 31, 2025
Current		
Trade receivables - others	36,507	34,873
Trade receivables - related party - refer note 39	2,520	940
Total trade receivables	39,027	35,813
Break-up for security details		
Unsecured, considered good	39,027	35,813
Unsecured, considered doubtful	2,194	2,635
	41,221	38,448
Impairment allowance		
Unsecured, considered good	(2,194)	(2,635)
Trade receivables net of impairment	39,027	35,813

Trade receivables Ageing Schedule:

As at March 31, 2026

	Outstanding for the following periods from the due date of payment						Total
	Unbilled	Less than 6 months	6 months-1 years	1-2 years	2-3 years	More than 3 years	
Undisputed Trade receivables - considered good	30,720	8,148	767	350	57	48	40,090
Undisputed Trade receivables - which have significant increase in credit risk							-
Undisputed Trade receivables - credit impaired	-	46	134	675	116	160	1,131
Disputed Trade receivables - considered good							-
Disputed Trade receivables - which have significant increase in credit risk							-
Disputed Trade receivables - credit impaired							-
Total	30,720	8,194	901	1,025	173	208	41,221
Less: Impairment allowance							(2,194)
Total							39,027

Notes to the Consolidated Financial Statements for the year ended March 31, 2026

(All amounts in ₹ lakhs, unless otherwise stated)

As at March 31, 2025

	Outstanding for the following periods from the due date of payment						Total
	Unbilled	Less than 6 months	6 months-1 years	1-2 years	2-3 years	More than 3 years	
Undisputed Trade receivables - considered good	25,421	10,313	442	9	-	-	36,185
Undisputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
Undisputed Trade receivables - credit impaired	37	1,261	459	244	69	193	2,263
Disputed Trade receivables - considered good	-	-	-	-	-	-	-
Disputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed Trade receivables - credit impaired	-	-	-	-	-	-	-
Total	25,458	11,574	901	253	69	193	38,448
Less: Impairment allowance							(2,635)
Total							35,813

(i) No trade or other receivable are due from directors or other officers of the company either severally or jointly with any other person. Nor any trade or other receivable are due from firms or private companies respectively in which any director is a partner, a director or a member, except as disclosed in note 39

(ii) Trade receivables are non-interest bearing and are generally on terms of 0 to 180 days.

(iii) For terms and conditions relating to related party receivables refer note 39.

(iv) For unbilled revenue refer note 7

13 Cash and cash equivalents

	March 31, 2026	March 31, 2025
Balances with banks:		
- in current accounts	9,424	11,482
- in EEFC accounts	2,541	429
Deposits with original maturity of less than three months - refer note below	1	1
	11,966	11,912

Note:

Short-term deposits are made for varying periods of between one day and three months, depending on the immediate cash requirements of the Group, and earn interest at the respective short-term deposit rates.

Notes to the Consolidated Financial Statements for the year ended March 31, 2026

(All amounts in ₹ lakhs, unless otherwise stated)

14 Bank and bank balance other than cash and cash equivalents

	March 31, 2026	March 31, 2025
Fixed deposit	27,085	19,638
Margin money deposits - refer note (i) below	52,179	73,892
Balances with bank in unpaid dividend account	41	381
	79,305	93,911
(i) Margin money deposit is used to secure:		
Working capital facility and bank overdrafts	51,407	65,880
Term loan - Federal bank	-	-
Guarantees given	772	8,012

15 Share Capital

Equity share capital

i) Authorised share capital

	Numbers	Amount
Equity share capital of ₹ 2 each		
As at April 01, 2024	22,93,00,000	4,586
Increase during the year	-	-
As at March 31, 2025	22,93,00,000	4,586
Increase during the year	-	-
As at March 31, 2026	22,93,00,000	4,586

ii) Issued, subscribed and fully paid up Equity share capital

	Issued Share Capital (A)	Treasury shares (B)	Total (A+B)	Amount
Equity share capital of ₹ 2 each, fully paid up				
As at April 01, 2024	152,274,811	(2,920,385)	14,93,54,426	2,987
Exercise of share options - refer note (16)	-	692,441	6,92,441	14
As at March 31, 2025	15,22,74,811	(2,227,944)	15,00,46,867	3,001
Exercise of share options - refer note (16)	-	215,069	215,069	4
As at March 31, 2026	15,22,74,811	(2,012,875)	15,02,61,936	3,005

(1) During the year ended March 31, 2026, Employee Stock Option Trust (ESOP trust) issued 2,15,069 (March 31, 2025 - 6,92,441) equity shares to the employees upon exercise of employee stock options.

(2) The outstanding equity shares as at April 01, 2024, March 31, 2025 and March 31, 2026 are presented net of treasury shares.

(iii) Terms/ rights attached to equity shares

The Company has a single class of equity share of par value ₹ 2 each. Each holder of the equity shares is entitled to one vote per share and carries a right to dividends as and when declared by the Company.

In the event of liquidation of the Company, the holders of equity shares, will be entitled to receive any of the remaining assets of the Company after distribution of all preferential amounts.

Notes to the Consolidated Financial Statements for the year ended March 31, 2026

(All amounts in ₹ lakhs, unless otherwise stated)

(iv) Details of shareholders holding more than 5% shares in the Company: -

	March 31, 2026		March 31, 2025	
	No of Shares	Holding percentage	No of Shares	Holding percentage
Equity shares of ₹ 2 each fully paid				
Mr. Ashok Soota (Promoter)	4,92,45,787	32.77%	49,245,787	32.82%
Ashok Soota Medical Research LLP	1,79,48,784	11.94%	17,948,784	11.96%
SBI Small Cap Fund	1,01,74,484	6.77%	11,712,365	7.81%

As per the records of the Company, including its register of shareholders/members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents legal ownership of shares.

- (v) The Company has not issued any bonus shares or shares for consideration other than cash during the period of five years immediately preceding the reporting date.

(vi) Details of shares held by promoters

As at March 31, 2026

	Promoter name	No of shares at the beginning of the year	Change during the year	No of shares at the end of the year	% of Total Shares	% change during the year
Equity shares of ₹ 2 each fully paid	Mr. Ashok Soota	49,245,787	-	49,245,787	32.77%	0.00%
Equity shares of ₹ 2 each fully paid	Ashok Soota Medical Research LLP	17,948,784	-	17,948,784	11.94%	0.00%

As at March 31, 2025

	Promoter name	No of shares at the beginning of the year	Change during the year	No of shares at the end of the year	% of Total Shares	% change during the year
Equity shares of ₹ 2 each fully paid	Mr. Ashok Soota	58,382,277	(9,136,490)	49,245,787	32.97%	(15.65)%
Equity shares of ₹ 2 each fully paid	Ashok Soota Medical Research LLP	17,948,784	-	17,948,784	12.02%	0.00%

16 Treasury shares

	No of shares
As at April 01, 2024	29,20,385
Issue for cash on exercise of share options	(6,92,441)
As at March 31, 2025	22,27,944
Issue for cash on exercise of share options	(2,15,069)
As at March 31, 2026	20,12,875

(i) For terms/ rights attached to treasury shares refer note 15 (iii) above

Notes to the Consolidated Financial Statements for the year ended March 31, 2026

(All amounts in ₹ lakhs, unless otherwise stated)

17 Other equity

	March 31, 2026	March 31, 2025
Securities premium account	90,654	90,582
Retained earnings	76,784	64,487
Cash flow hedge reserve	(3,154)	(246)
Foreign currency translation reserve	2,726	1,282
Share options outstanding reserve	650	68
Equity instrument through Other comprehensive income (OCI)	(1,716)	(1,716)
	165,944	154,457

	March 31, 2026	March 31, 2025
a) Securities premium account		
Opening balance	90,582	90,318
Exercise of share option by employees	43	170
Transferred from ESOP reserve for options exercised	29	94
Closing balance	90,654	90,582
b) Retained earnings		
Opening balance	64,487	55,042
Profit for the year	21,262	18,466
Other comprehensive income recognised directly in retained earnings	421	(414)
Dividend - refer note 18	(9,386)	(8,608)
Transferred from share option outstanding reserve for options forfeited	-	1
Closing balance	76,784	64,487
c) Cash flow hedge reserve		
Opening balance	(246)	(28)
Net movement on effective portion of cash flow hedges - refer note 37 (B)	(2,908)	(219)
Closing balance	(3,154)	(246)
d) Foreign currency translation reserve		
Opening balance	1,282	861
Additions during the period	1,444	421
Closing balance	2,726	1,282
e) Share options outstanding reserve		
Opening balance	68	163
Employee compensation expense for the year - refer note 43	611	-
Transferred to retained earnings for options forfeited	-	(1)
Transferred to securities premium for options exercised	(29)	(94)
Closing balance	650	68
f) Equity instrument through Other comprehensive income (OCI)		
Opening balance	(1,716)	(1,319)
Additions during the period, net of taxes - refer note 36 (v)	-	(397)
Foreign exchange	-	-
Closing balance	(1,716)	(1,716)

Notes to the Consolidated Financial Statements for the year ended March 31, 2026

(All amounts in ₹ lakhs, unless otherwise stated)

Note

Securities premium account has been created consequent to issue of shares at premium. The reserve can be utilised in accordance with the provisions of the Companies Act 2013.

b) Retained earnings :

Retained earnings comprises of prior year's and current year's undistributed earnings/accumulated losses after tax.

c) Cash flow hedge reserve :

The Group uses foreign currency forward contracts to hedge the highly probable forecasted transaction and interest rate swaps to hedge the interest rate risk associated with foreign currency term loan. The effective portion of fair value gain/loss of the hedge instrument is recognised in the cash flow hedge reserve. Amounts recognised in the cash flow hedge reserve is reclassified to the Statement of Profit and Loss when the hedged item affects profit or loss.

d) Foreign currency translation reserve :

Exchange differences arising on translation of the foreign operations are recognised in other comprehensive income as described in accounting policy and accumulated in a separate reserve within equity. The cumulative amount is reclassified to statement of profit and loss when the net investment is disposed-off.

e) Share options outstanding reserve :

The share based payment reserve is used to recognise the grant date fair value of options issued to employees under Employee Stock Option Plan.

f) Equity instrument through Other comprehensive income (OCI)

The Group has elected to recognise changes in the fair value of certain investments in equity shares in other comprehensive income. These changes are accumulated within the Equity instruments through Other Comprehensive Income within equity. The Group transfers amounts from this reserve to retained earnings when the relevant equity shares are derecognised.

Distribution made

18 Dividends on equity shares declared and paid :

	March 31, 2026	March 31, 2025
Final dividend paid for the year ended on March 31, 2025 : 3.5/- per share (March 31, 2024 : ₹ 3.25/- per share)	5,252	4,854
Interim dividend for the year ended on March 31, 2026 : ₹ 2.75/- per share (March 31, 2025 : 2.5/- per share)	4,134	3,754
	9,386	8,608

19 Borrowings

Carried at amortised cost

	March 31, 2026	March 31, 2025
Non current		
Secured		
Term loan from bank		
Foreign currency term loan - refer note (a) below	7,586	-
Term loan from bank - refer note (b) below	9,445	10,444
Unsecured		
Term loan from bank - refer note (c) below	24,419	24,061
	41,450	34,505

Notes to the Consolidated Financial Statements for the year ended March 31, 2026

(All amounts in ₹ lakhs, unless otherwise stated)

	March 31, 2026	March 31, 2025
Less: Current maturities of rupee term loan	(1,103)	(968)
Less: Current maturities of unsecured term loan	(4,633)	-
Less: Current maturities of Foreign currency term loan	(1,422)	-
Total non-current borrowings	34,292	33,537
Current		
Secured		
Loans from banks		
Foreign currency loan (PCFC) - refer note (e)	23,471	22,654
Bank overdraft - refer note (e) below	68,345	44,778
Foreign currency term loan - refer note (a) below	1,422	6,154
Redeemable non-convertible debentures - refer note (d) below	8,000	8,000
Current maturities of term loans		
Rupee term loan from bank - refer note (b) below	1,103	968
Rupee term loan from bank - refer note (c) below	4,633	-
Total current borrowings	106,974	82,554

Notes

(a) Foreign currency term loan of ₹ 7,586 lakhs (USD 8.00 million) was borrowed from Citi bank carrying a floating interest rate of O/N SOFR (Secured Over night Financing Rate) + spread. Interest rate ranged from 5.20% to 5.93% . The loan is repayable in 60 equal monthly instalments, with 1 year moratorium period, commencing from September 01, 2024. The loan is secured by the way of corporate guarantee by Happiest Minds Technologies Limited. The loan was raised exclusively for funding the acquisition of Aureus Tech Systems LLC.

(b) Rupee term loan of ₹ 9,445 lakhs from Federal bank carries an effective interest rate of 7.9% per annum (March 31, 2025 : 7.9%). The loan is repayable in 120 monthly instalment commencing from August 15, 2022 and will mature on July 15, 2032. The proceeds from the loan was utilized for the acquisition of building -SJR Equinox, including the land comprised therein, situated at Electronic City, Bengaluru. The loan is secured by way of exclusive charge on such land and building together with all the fixtures in the building along with lien on fixed deposits equivalent to three months equated monthly instalments (refer note 7).

The Company has entered into an Cross currency interest rate swap with respect to aforementioned loan over the tenure, which has resulted in an effective interest rate of 4.21% per annum."

(c) The unsecured term loan from bank carries an interest rate of 7.5% fixed (March 31, 2025 : 8.60%). The loan is repayable in 60 months commencing from October 14, 2024 to October 14, 2029. The Company has entered into interest rate swap derivative agreement to convert the fixed interest loan to floating interest rate benchmarked to 1M T-bill + 2.1% spread in two tranches i. ₹ 20,000 lakhs as on January 01, 2026 and ii. ₹ 4,900 lakhs as on March 12, 2026.

(d) The Company had issued 4,500 and 3,500 rated, listed, negotiable, unsecured, redeemable non-convertible debentures (NCDs) aggregating to ₹ 8,000 lakhs were issued during FY 23-24 on a private placement basis, carrying a coupon rate of 3m T-bill + 2.35% p.a payable quarterly. Each NCD has face value of ₹ 1 lakh and is redeemable at face value at the end of 3rd year from the date of respective allotment. NCDs were allotted on May 8, 2023 and September 26, 2023 respectively and will mature on May 8, 2026 and September 26, 2026 respectively. The proceeds from NCDs has been utilised for general corporate purpose. The investor and the issuer has put and call option respectively, for the redemption of debenture at face value on the coupon payment date falling on the expiry of one year or two years from the deemed date of allotment. Consequently, the NCDs are classified as current borrowings.

Notes to the Consolidated Financial Statements for the year ended March 31, 2026

(All amounts in ₹ lakhs, unless otherwise stated)

- (e) Company has availed lines of credit from banks in the form of Packing Credit in Foreign Currency (PCFC) and Overdraft to meet the working capital requirements and other short term requirements.

Packing credit in foreign currency (PCFC):

During the current year the total sanctioned limit was ₹ 39,500 lakhs (March 31, 2025 - ₹ 31,500 lakhs). Loans were drawn in USD which carried floating interest rate benchmarked to SOFR + Spread. Interest rates ranged from 4.29% to 5.26% (March 31, 2025 5.04% to 6.27%). Tenor of the loan ranged from 90 days to 180 days. Loans were secured by way of pari-passu charge on current assets of the Company. These loans were sanctioned as revolving credit which will be renewed on periodic basis. The loans stipulate certain financial covenants as per the terms agreed and the Company has complied with all the covenants to the satisfaction of the banks.

Overdraft facility:

The total sanctioned overdraft limit was ₹ 82,375 lakhs (March 31, 2025 - ₹ 59,800 lakhs). Interest rates on overdraft was charged with a mark up on fixed deposit interest rates. Mark ups ranged from 55bps to 75bps. Loans were fully secured by way of lien on fixed deposit equivalent to ₹ 51,406 lakhs (March 31, 2025 - ₹ 65,880 lakhs) and through pledge of mutual funds equivalent to INR 41,336 lakhs (March 31, 2025 - nil) (refer note 14).

Non-fund based facility:

Company availed non-fund based revolving facility of ₹ 767 lakhs (March 31, 2025 - ₹ 7,827 lakhs) which can be used for issuance of letter of credits and bank guarantees"

- (f) PCFC loan from RBL bank, Federal bank, Kotak Mahindra, NCDs and Rupee term loan from Federal bank contains covenants pertaining to current ratio, interest coverage ratio, total outstanding liability to adjusted tangible net worth ratio, total debt to EBITDA, Debt service coverage ratio. The Company has satisfied all the debt covenants prescribed in the terms of the borrowings. Other borrowings do not have any debt covenants. The Company has not defaulted in any of the loans payable. Monthly statement of book debts filed by the Company with banks in respect of the PCFC facilities, are in agreement with the books of accounts.

The table below details change in the Group's liabilities arising from financing activities, including both cash and non-cash changes

	Non-current borrowings #	Current borrowings
As at April 01, 2024	11,278	32,959
Financing cash flows (net)	23,223	48,826
Non cash movements:		
Amortisation of transaction cost	-	-
Foreign exchange difference	4	(199)
As at March 31, 2025	34,505	81,586
Financing cash flows (net)	6,679	17,299
Non cash movements:		
Amortisation of transaction cost	-	-
Impact of Fair value hedge	(470)	-
Foreign exchange difference	736	931
As at March 31, 2026	41,450	99,816

#Current maturities of term loans are included in the Non-current borrowings

Notes to the Consolidated Financial Statements for the year ended March 31, 2026

(All amounts in ₹ lakhs, unless otherwise stated)

20 Lease liabilities

Carried at amortised cost

	March 31, 2026	March 31, 2025
Non current		
Lease liabilities	7,399	8,268
	7,399	8,268
Less: Current maturities of lease liabilities	(3,293)	(3,258)
Total non-current Lease liabilities	4,106	5,010
Current		
Lease liabilities	3,293	3,258
Total current lease liabilities	3,293	3,258

- (i) Movement in lease liabilities for year ended March 31, 2026 and March 31, 2025

	March 31, 2026	March 31, 2025
Balance at beginning of the year	8,268	6,982
Acquisition of subsidiary	-	588
Additions	2,630	3,957
Finance cost incurred during the period - refer note 30	677	727
Disposal	(139)	(79)
Payment of lease liabilities	(4,061)	(3,899)
Exchange difference	24	(8)
Balance at the end of the year	7,399	8,268

- (ii) The table below provides details regarding the contractual maturities of lease liabilities as at March 31, 2026 and March 31, 2025

	March 31, 2026	March 31, 2025
Less than one year	3,778	3,832
One to five years	4,435	5,311
More than five years	-	-

- (iii) The Group had total cash outflow of ₹ 4,058 lakhs during the year ended March 31, 2026 (March 31, 2025 - ₹ 3,899 lakhs) for leases recognized in balance sheet. The Group has made a non-cash addition to lease liabilities of ₹ 2,630 lakhs during the year ended March 31, 2026 (March 31, 2025 - ₹ 3,942 lakhs).

Notes to the Consolidated Financial Statements for the year ended March 31, 2026

(All amounts in ₹ lakhs, unless otherwise stated)

21 Other financial liabilities

	March 31, 2026	March 31, 2025
Non-Current		
Carried at fair value through profit or loss		
Contingent consideration - refer note 36 (iv) and 36 (v)	-	1,445
Optionally Convertible Redeemable Preference Shares (OCRPS)	-	6,272
Fair value hedges		
Interest rate swaps - refer note 37 (B)	416	-
	416	7,717
Carried at fair value through other comprehensive income		
Cash flow hedges		
Cross currency interest rate swap - refer note 37 (B)	1,715	613
	1,715	613
Total non - current financial liabilities	2,131	8,330
Current		
Carried at amortised cost		
Employee related liabilities	4,578	4,601
Unpaid dividend	41	46
Capital creditors	262	287
Purchase consideration withheld	-	443
Accrued interest payable	323	77
	5,204	5,454
Carried at fair value through profit or loss		
Contingent consideration - refer note 36 (iv) and 36 (v)	144	8,855
Optionally Convertible Redeemable Preference Shares (OCRPS)	754	-
Fair value hedges		
Interest rate swaps - refer note 37 (B)	22	-
	920	8,855
Carried at fair value through Other Comprehensive Income		
Cash flow hedges		
Foreign currency forward contracts - refer note 37 (B)	2,552	217
	2,552	217
Total other current financial liabilities	8,676	14,526

Notes to the Consolidated Financial Statements for the year ended March 31, 2026

(All amounts in ₹ lakhs, unless otherwise stated)

22 Provisions

	March 31, 2026	March 31, 2025
Non-current		
Provision for gratuity - refer note 35	8,914	5,940
	8,914	5,940
Current		
Provision for compensated absences - refer note 35	3,794	3,507
Provision for warranty	17	12
	3,811	3,519

Movement during the year - Provision for warranty

	Amount
Balance as at April 01, 2024	10
Arising during the year	10
Utilised/ reversed during the year	(8)
Exchange (gain)/ loss	-
Balance as at March 31, 2025	12
Arising during the year	-
Utilised/ reversed during the year	-
Exchange (gain)/ loss	5
Balance as at March 31, 2026	17

23 Contract liabilities

	March 31, 2026	March 31, 2025
Current		
Unearned revenue - refer note (i) below	3,401	2,194
	3,401	2,194

(i) The Group has rendered the service and have recognised the revenue of ₹ 1,207 lakhs (March 31, 2025: ₹ 369 lakhs) during the year from the unearned revenue balance at the beginning of the year.

24 Trade payables

Carried at amortised cost

	March 31, 2026	March 31, 2025
Total outstanding dues of micro enterprises and small enterprises - refer note (iii) below	547	225
Total outstanding dues of creditors other than micro enterprises and small enterprises	9,104	10,256
	9,651	10,481

Notes to the Consolidated Financial Statements for the year ended March 31, 2026

(All amounts in ₹ lakhs, unless otherwise stated)

Trade payables Ageing Schedule

As at March 31, 2026

	Outstanding for the following periods from the due date of payment					Total
	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Total outstanding dues of micro enterprises and small enterprises	400	147	-	-	-	547
Total outstanding dues of creditors other than micro enterprises and small enterprises	905	817	101	10	-	1,833
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	-
Provision for expenses	-	-	-	-	-	7,271
	1,305	964	101	10	-	9,651

As at March 31, 2025

	Outstanding for the following periods from the due date of payment					Total
	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Total outstanding dues of micro enterprises and small enterprises	39	186	-	-	-	225
Total outstanding dues of creditors other than micro enterprises and small enterprises	138	1,797	12	5	-	1,952
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises	-	26	-	-	-	26
Provision for expenses	-	-	-	-	-	8,278
	177	2,009	12	5	-	10,481

Terms and conditions of above trade payables:

- (i) Trade payables are non-interest bearing and are normally settled on 0 to 90 days terms
- (ii) For explanation of Group's liquidity risk - refer note 37 (D)

Notes to the Consolidated Financial Statements for the year ended March 31, 2026

(All amounts in ₹ lakhs, unless otherwise stated)

25 Other current liabilities

	March 31, 2026	March 31, 2025
Statutory dues payable	4,055	3,794
Other payables	3	42
	4,058	3,836

26 Revenue from contracts with customers

	For the year ended	
	March 31, 2026	March 31, 2025
Revenue from service	230,925	203,820
Revenue from license	774	2,500
Gross revenue from operations	231,699	206,319
Less : cash discounts	(188)	(235)
Net revenue from operations	231,511	206,084
Revenue from service	230,737	203,585
Revenue from license	774	2,500
	231,511	206,084

26.1 Disaggregated revenue information

Segment	For the year ended March 31, 2026			
	Infrastructure Management & Security Services	Product and Digital Engineering Services	Generative AI Business Services	Total
Revenue from contract with customers	38,909	184,736	7,866	231,511
Total revenue from contracts with customers	38,909	184,736	7,866	231,511
India	9,757	23,686	3,106	36,549
Outside India	29,152	161,050	4,760	194,962
Total revenue from contracts with customers	38,909	184,736	7,866	231,511
Timing of revenue recognition				
Licenses transferred at a point in time	506	268	-	774
Fixed price project - services transferred over time	16,865	35,498	4,923	57,286
Time and material - services transferred over time	21,538	148,970	2,943	173,451
Total revenue from contracts with customers	38,909	184,736	7,866	231,511

Notes to the Consolidated Financial Statements for the year ended March 31, 2026

(All amounts in ₹ lakhs, unless otherwise stated)

Segment	For the year ended March 31, 2025			Total
	Infrastructure Management & Security Services	Product and Digital Engineering Services	Generative AI Business Services	
Revenue from contract with customers	32,832	169,690	3,562	206,084
Total revenue from contracts with customers	32,832	169,690	3,562	206,084
India	3,202	25,251	1,075	29,528
Outside India	29,630	144,440	2,486	176,556
Total revenue from contracts with customers	32,832	169,691	3,561	206,084
Timing of revenue recognition				
Licenses transferred at a point in time	454	2,046	-	2,500
Fixed price project - services transferred over time	5,694	15,159	1,288	22,141
Time and material - services transferred over time	26,684	152,486	2,273	181,443
Total revenue from contracts with customers	32,832	169,691	3,561	206,084

26.2 Contract balances

	March 31, 2026	March 31, 2025
Trade receivables, net of expected credit loss	39,027	35,813
Unbilled revenue, net of expected credit loss	15,198	15,042
Contract assets	5,408	1,633
Contract liabilities	3,401	2,194

26.3 Reconciling the amount of revenue recognised in the statement of profit and loss with the contracted price

	For the year ended	
	March 31, 2026	March 31, 2025
Revenue as per contract price	232,669	207,296
Discount	(1,158)	(1,212)
Revenue from contract with customers	231,511	206,084

26.4 The Group has applied practical expedient as given in Ind AS 115 for not disclosing the remaining performance obligation for contracts that have original expected duration of one year or lesser and for contracts where the revenue recognized corresponds directly with the value to the customer of the entity's performance completed to date, typically those contracts where invoicing is on time-and-material. The Group have fixed price contracts for a period of more than one year, the remaining performance obligation for these contracts is ₹ 2,524 lakhs (March 31, 2025: ₹ 1,639 lakhs). The revenue for remaining performance obligation is expected to be recognised over period of 1-3 years (March 31, 2025: 1-3 years).

Notes to the Consolidated Financial Statements for the year ended March 31, 2026

(All amounts in ₹ lakhs, unless otherwise stated)

27 Other income

	For the year ended	
	March 31, 2026	March 31, 2025
Interest income on:		
Deposits with bank	6,004	8,898
Financial instrument measured at amortised cost	76	78
Financial instrument designated as fair value hedge, net	32	-
	6,112	8,976
Fair value gain on investment measured at FVTPL	2,110	1,240
Gain on sale of investments measured at FVTPL	405	1
Exchange gain/(loss)	(611)	(338)
Gain on property, plant and equipment sold / scrapped, net	29	19
Miscellaneous income	452	240
	2,385	1,162
	8,497	10,138

28 Employee benefits expense

	For the year ended	
	March 31, 2026	March 31, 2025
Salaries, wages and bonus	144,984	127,226
Contribution to provident fund	6,475	5,882
Share based payment expense - refer note 43	611	-
Gratuity expense - refer note 35	2,004	1,280
Compensated absences	1,284	1,485
Staff welfare expenses	737	661
	156,095	136,534

29 Depreciation and amortisation expense

	For the year ended	
	March 31, 2026	March 31, 2025
Depreciation of property, plant and equipment - refer note 3	878	863
Amortisation of intangible assets - refer note 4	4,589	4,827
Depreciation of right-of-use assets - refer note 5	3,352	3,180
	8,819	8,870

30 Finance costs

	For the year ended	
	March 31, 2026	March 31, 2025
Interest expense on:		
Borrowings	7,965	7,259
Non convertible debenture	636	1,125
Lease liabilities - refer note 20	677	727
Unwinding of interest in contingent consideration	80	526
Unwinding interest on OCRPS	378	311
	9,736	9,948

Notes to the Consolidated Financial Statements for the year ended March 31, 2026

(All amounts in ₹ lakhs, unless otherwise stated)

31 Other expenses

	For the year ended	
	March 31, 2026	March 31, 2025
Power and fuel	499	514
Subcontractor charges	14,169	13,826
Repairs and maintenance		
- Buildings	456	453
- Equipments	59	41
- Others	506	295
Rent expenses - refer note (i) below	771	631
Advertising and business promotion expenses	1,056	1,018
Commission	50	73
Communication costs	274	278
Insurance	164	182
Legal and professional fees	1,775	2,309
Audit fees	187	178
Software license cost	7,043	6,092
Rates and taxes	357	217
Recruitment charges	1,327	763
Provision for doubtful loans and advances	49	-
Sitting fees to non-executive directors - refer note 39	79	70
Commission to non-executive directors - refer note 39	86	55
Corporate social responsibility ('CSR') expenditure	736	655
Travelling and conveyance	4,088	3,957
Postage and courier	55	58
Training expense	367	445
Miscellaneous expenses	191	408
	34,344	32,518

(i) Rent expense recorded under other expenses are lease rental for short-term leases

31A Impairment loss allowance

	For the year ended	
	March 31, 2026	March 31, 2025
Impairment loss allowance on trade and unbilled receivables	734	1,590
	734	1,590

Notes to the Consolidated Financial Statements for the year ended March 31, 2026

(All amounts in ₹ lakhs, unless otherwise stated)

32 Exceptional Items

	For the year ended	
	March 31, 2026	March 31, 2025
Gain on re-measurement/derecognition of contingent consideration (including OCRPS) - refer note (ii) & (iii) below	(1,591)	(1,128)
Loss on re-measurement/derecognition of contingent consideration (including OCRPS) - refer note (ii) & (iii) below	1,247	2,344
Impact of Labour Codes - refer note (i) below	2,203	-
	1,859	1,216

Note:

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

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

Considering that the impact arising from the enactment of the new legislation is non-recurring in nature, the Group has presented this incremental amount of ₹ 2,203 lakhs as "Impact of Labour Codes" under "Exceptional Items". The Group continues to monitor developments pertaining to the Labour Codes and will evaluate any further impact on the measurement of liabilities relating to employee benefits.

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

The contingent consideration was classified as a financial liability in accordance with Ind AS 109 'Financial Instruments' and measured at fair value. The Group has re-measured the fair value of the first-year earn-out contingent consideration and the change in fair value of ₹ 2,344 Lakhs has been recognised as a loss in the statement of profit and loss and disclosed as an 'Exceptional Item' for the year ended March 31, 2025.

Further, the Group has finalised the second-year earn-out contingent consideration based on the achievement of agreed performance conditions, and the change in fair value of ₹ 1,247 Lakhs has been recognised as a loss in the Statement of Profit and Loss and disclosed as an 'Exceptional Item'.

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

The contingent consideration was classified as a financial liability in accordance with Ind AS 109 'Financial Instruments' and measured at fair value. The Group has re-measured the fair value of the first year earn-out contingent consideration and the change in fair value of ₹ 1,128 Lakhs has been recognised as a gain in the statement of profit and loss and disclosed as an 'Exceptional Item' for the year ended March 31, 2025.

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

Notes to the Consolidated Financial Statements for the year ended March 31, 2026

(All amounts in ₹ lakhs, unless otherwise stated)

33 Income tax expense

	For the year ended	
	March 31, 2026	March 31, 2025
a) Statement of profit and loss		
Current tax	7,952	8,443
Deferred tax credit	(793)	(1,363)
Income tax expense	7,159	7,080
b) Statement of other comprehensive income		
On net movement on effective portion of cash flow hedges	978	73
On re-measurement losses on defined benefit plans	(142)	139
On net loss on equity instruments carried at fair value through OCI	-	106
	836	318
Reconciliation of tax expense and tax based on accounting profit:		
Profit before income tax expense	28,421	25,546
Tax at the Indian tax rate of 25.17% (March 31, 2024 : 25.17%)	7,154	6,430
Tax effect of:		
Adjustment of tax relating to earlier periods	99	-
Expenses that are not deductible in determining taxable profit	413	705
Effect of different tax rates of subsidiaries operating in other jurisdictions	(271)	(50)
Effect of fair value gain on derecognition of liability	(335)	-
Others	98	(5)
Income tax expense	7,159	7,080

34 Earnings per share ['EPS']

The following reflects the income and share data used in the basic and diluted EPS computations:

	For the year ended	
	March 31, 2026	March 31, 2025
Profit after tax attributable to equity holders of the Parent (a) (₹ in lakhs)	21,262	18,466
Weighted average number of shares outstanding during the year for basic EPS (b)	150,575,975	15,05,68,775
Weighted average number of shares outstanding during the year for diluted EPS (c)	150,685,025	15,05,68,775
Basic Earning per share (in ₹) (a/b)	14.12	12.26
Diluted Earnings per share (in ₹) (a/c)	14.11	12.26
Equity shares reconciliation for EPS		
Equity shares outstanding	15,05,75,975	15,05,68,775
Total considered for Basic EPS	15,05,75,975	15,05,68,775
Add: ESOP options	109,050	-
Total considered for diluted shares	150,685,025	15,05,68,775

Notes to the Consolidated Financial Statements for the year ended March 31, 2026

(All amounts in ₹ lakhs, unless otherwise stated)

35 Employee benefits plan

(i) Defined contribution plans - Provident Fund

The Group makes contributions for qualifying employees to Provident Fund and other defined contribution plans. During the year, the Group recognised ₹ 6,475 lakhs (March 31, 2025 : ₹ 5,882 lakhs) towards defined contribution plans.

(ii) Defined benefit plans (funded):

The Group provides for gratuity for employees in India as per the Payment of Gratuity (Amendment) Act, 2018 and the provisions of the Code on Social Security, 2020. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/ termination is the employees last drawn wages per month computed proportionately for 15 days salary multiplied for the number of years of service. The Gratuity plan of the Group is funded with qualifying life insurance Company.

Gratuity is a defined benefit plan and Group is exposed to the following risks:

Interest risk	A decrease in the bond interest rate will increase the plan liability.
Investment risk	The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds. If the return on plan asset is below this rate, it will create a plan deficit. Currently, for the plan in India, it has a relatively balanced mix of investments in government securities, and other debt instruments.
Salary risk	The present value of the defined benefit plan liability is calculated by reference to the future salaries of members. As such, an increase in the salary of the members more than assumed level will increase the plan's liability.
Longevity risk	Since the benefits under the plan is not payable for life time and payable till retirement age only, plan does not have any longevity risk.
Concentration risk	Plan is having a concentration risk as all the assets are invested with the insurance company.

	March 31, 2026	March 31, 2025
Non-current	8,914	5,940
	8,914	5,940

The following table sets out movement in defined benefits liability and the amount recognised in the financial statements:

Changes in the defined benefit obligation and fair value of plan assets for the year ended March 31, 2026:

	Defined benefit obligation (A)	Fair value of plan assets (B)	Net amount (A-B)
As at April 1, 2025	6,680	745	5,935
Current service cost	1,572	-	1,572
Net interest expense	480	48	432
Past service cost (refer note no.32 (ii))	2,203	-	2,203
Total amount recognised in statement of profit and loss	4,255	48	4,207
Benefits paid	(737)	(612)	(125)
Remeasurement			
Return on plan assets	-	(36)	36
(Gain)/loss from actuarial changes arising from changes in demographic assumptions	(98)	-	(98)

Notes to the Consolidated Financial Statements for the year ended March 31, 2026

(All amounts in ₹ lakhs, unless otherwise stated)

	Defined benefit obligation (A)	Fair value of plan assets (B)	Net amount (A-B)
(Gain)/loss from actuarial changes arising from changes in financial assumptions	(743)	-	(743)
Experience adjustments	241	-	241
Translation adjustment	56	-	56
Total amount recognised in other comprehensive income	(544)	(36)	(508)
Contributions by employer	-	596	(596)
As at March 31, 2026	9,655	741	8,914

Changes in the defined benefit obligation and fair value of plan assets for the year ended March 31, 2025:

	Defined benefit obligation (A)	Fair value of plan assets (B)	Net amount (A-B)
As at April 1, 2024	4,221	883	3,338
Acquisition of subsidiary	1,139	19	1,120
Current service cost	973	-	973
Net interest expense	355	65	290
Past service cost	12	-	12
Total amount recognised in statement of profit and loss	1,340	65	1,275
Benefits paid	(579)	(489)	(90)
Remeasurement			
Return on plan assets	-	(1)	1
(Gain)/loss from actuarial changes arising from changes in demographic assumptions	300	-	300
(Gain)/loss from actuarial changes arising from changes in financial assumptions	(1)	-	(1)
Experience adjustments	284	-	284
Total amount recognised in other comprehensive income	583	(1)	584
Contributions by employer	-	287	(287)
As at March 31, 2025	6,704	764	5,940

The major categories of plan assets of the fair value of the total plan assets are as follows:

	March 31, 2026	March 31, 2025
Insurance fund*	741	764
Total	741	764

*The contributions of "PSTPL", Aureus and GAVS Middle East is not funded

The principal assumptions used in determining gratuity benefit obligations for the Group's plans are shown below:

	March 31, 2026	March 31, 2025
Discount rate	4.43% - 6.77%	4.60% - 6.55%
Expected return on plan assets	6.77%	6.55%
Future salary increases	2.5% p.a. -7% p.a	2.5% p.a. -7% p.a
Employee turnover	18% - 20%	18% - 20%
Mortality	Indian Assured Lives Mortality 2012-14 (Urban)	Indian Assured Lives Mortality 2012-14 (Urban)

Notes to the Consolidated Financial Statements for the year ended March 31, 2026

(All amounts in ₹ lakhs, unless otherwise stated)

A quantitative sensitivity analysis for significant assumptions are as shown below:

Sensitivity Level		March 31, 2026		March 31, 2025	
		Defined benefit obligation on increase/decrease in assumptions			
		Increase	Decrease	Increase	Decrease
Discount rate	1% increase / decrease	734	(866)	582	(657)
Future salary increase	1% increase / decrease	1,488	(1,328)	1,174	(1,062)
Attrition rate	1% increase / decrease	5	(6)	(22)	20

The above sensitivity analysis are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognised in the Balance Sheet.

The following payments are expected cash flows to the defined benefit plan in future years:

Expected contributions to defined benefits plan for the next year is ₹ 379 lakhs (March 31, 2025 : ₹ 466 lakhs). The weighted average duration of the defined benefit plan obligation at the end of the reporting period is 4 to 8 years (March 31, 2025: 4 to 8 years). The expected maturity analysis of undiscounted gratuity is as follows:

	March 31, 2026	March 31, 2025
Within the next 12 months	1,624	966
Between 2 and 5 years	5,440	3,491
Between 6 and 10 years	3,671	2,707
Beyond 10 years	1,062	2,230

36 Fair value measurement

i) The carrying value of financial assets by categories is as follows:

	March 31, 2026	March 31, 2025
Measured at Fair Value Through Other Comprehensive Income (FVOCI)		
Foreign currency forward contracts	7	258
Cross currency interest rate swap	20	241
Total financial assets measured at FVOCI	27	499
Measured at Fair Value Through Statement of Profit and Loss (FVTPL)		
Investment in mutual funds	50,352	35,039
Total financial assets measured at FVTPL	50,352	35,039
Measured at amortised cost		
Security deposits	1,455	1,242
Loans to employees	33	12
Other financial assets	42,703	23,344
Trade receivables	39,027	35,813
Bank and bank balance other than cash and cash equivalents	79,305	93,911
Cash and cash equivalents	11,966	11,912
Total financial assets measured at amortised cost	174,487	166,234
Total financial assets	224,866	201,771

Notes to the Consolidated Financial Statements for the year ended March 31, 2026

(All amounts in ₹ lakhs, unless otherwise stated)

ii) The carrying value of financial liabilities by categories is as follows:

	March 31, 2026	March 31, 2025
Measured at fair value through other profit or loss (FVTPL)		
Contingent consideration	144	10,300
Optionally Convertible Redeemable Preference Shares (OCRPS)	754	6,272
Term loan from bank	24,420	-
Fair value hedges		
Interest rate swap	438	-
Total financial liabilities measured at FVTPL	25,756	16,572
Measured at fair value through other comprehensive income (FVOCI)		
Foreign currency forward contracts	2,552	217
Cross currency interest rate swap	1,715	613
Total financial liabilities measured at FVOCI	4,267	830
Measured at amortised cost		
Foreign currency term loan	1,422	-
Term loan from bank	15,609	40,659
Redeemable non-convertible debentures	8,000	8,000
Foreign currency loan (PCFC)	23,471	22,654
Bank Overdraft	68,345	44,778
Lease liabilities	7,399	8,268
Trade payables	9,651	10,481
Other financial liabilities	5,204	5,454
Total financial liabilities measured at amortised cost	139,101	140,295
Total financial liabilities	169,124	157,697

iii) Fair value hierarchy

The following table provides the fair value measurement hierarchy of the Group's assets and liabilities:

	Quoted prices in active market (Level 1)	Significant observable inputs (Level 2)	Significant Unobservable inputs (Level 3)	Total
	March 31, 2026			
Financial assets measured at fair values				
Measured at fair value through other comprehensive income (FVOCI)				
Foreign currency forward contracts	-	7	-	7
Cross currency interest rate swap	-	20	-	20
Measured at fair value through statement of profit and loss (FVTPL)				
Investment in mutual funds	50,352	-	-	50,352
Total financial asset measured at fair value	50,352	27	-	50,379
Financial liabilities measured at fair values				
Measured at fair value through other comprehensive income (FVOCI)				
Foreign currency forward contracts	-	2,552	-	2,552
Cross currency interest rate swap	-	1,715	-	1,715
Measured at fair value through statement of profit and loss (FVTPL)				
Contingent consideration	-	-	144	144
Optionally Convertible Redeemable Preference Shares (OCRPS)	-	-	754	754
Term loan from bank	-	24,420	-	24,420

Notes to the Consolidated Financial Statements for the year ended March 31, 2026

(All amounts in ₹ lakhs, unless otherwise stated)

	Quoted prices in active market (Level 1)	Significant observable inputs (Level 2)	Significant Unobservable inputs (Level 3)	Total
	March 31, 2026			
Fair value hedges				
Interest rate swaps	-	438	-	438
Total financial liabilities measured at fair value	-	29,125	898	30,023

	Quoted prices in active market (Level 1)	Significant observable inputs (Level 2)	Significant Unobservable inputs (Level 3)	Total
	March 31, 2025			
Measured at fair value through other comprehensive income (FVOCI)				
Foreign currency forward contracts	-	258	-	258
Cross currency interest rate swap	-	241	-	241
Measured at fair value through statement of profit and loss (FVTPL)				
Investment in mutual funds	35,039	-	-	35,039
Total financial asset measured at fair value	35,039	499	-	35,538
Measured at fair value through other comprehensive income (FVOCI)				
Foreign currency forward contracts	-	217	-	217
Cross currency interest rate swap	-	613	-	613
Measured at fair value through statement of profit and loss (FVTPL)				
Contingent consideration	-	-	10,300	10,300
Optionally Convertible Redeemable Preference Shares (OCRPS)	-	-	6,272	6,272
Total financial liabilities measured at fair value	-	830	16,572	17,402

Notes:

The fair value of the financial assets and liabilities are measured at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values:

- In respect of investments in mutual funds, the fair value represents net assets value (NAV) as stated by the fund house in their published statements.
- The Company has entered into foreign currency forward contract and Cross currency interest rate swap (CCIRS) to hedge the highly probable forecast transactions. The derivative financial instrument is entered with the financial institutions with investment grade ratings. Foreign exchange forward contracts and CCIRS are valued based on valuation models which include use of market observable inputs. The mark to market valuation is provided by the financial institution as at reporting date. The valuation of derivative contracts are categorised as level 2 in fair value hierarchy disclosure.
- The Company has entered into interest rate swap contracts to hedge the fair value of a fixed rate borrowing. The derivative financial instrument is entered with the financial institutions with investment grade ratings and are valued based on valuation models which include use of market observable inputs. The valuation of derivative contracts are categorised as level 2 in fair value hierarchy disclosure.

Notes to the Consolidated Financial Statements for the year ended March 31, 2026

(All amounts in ₹ lakhs, unless otherwise stated)

- d) The management assessed that cash and cash equivalent, trade receivables, trade payables, other financial assets(current), other financial liability (current), bank overdraft and cash credit, lease liabilities (current) and loans to employees approximates their fair value largely due to short-term maturities of these instruments. Further the management also estimates that the carrying amount of foreign currency term loan at fixed interest rates are the reasonable approximation of their fair value and the difference between carrying amount and their fair value is not significant.
- e) The Group has valued contingent consideration by using the monte carlo simulation approach for the year March 31, 2025. In the current year, the Group has executed an agreement to finalise the amount payable towards the contingent consideration based on the achievement of agreed performance conditions. The contingent consideration has been measured at the amount so agreed.
- f) The fair value of remaining financial instruments are determined on transaction date based on discounted cash flows calculated using lending/ borrowing rate. Subsequently, these are carried at amortized cost. The carrying amount of the remaining financial instruments are the reasonable approximation of their fair value. For financial assets carried at fair value, their carrying amount are equal to their fair value."

iv) Valuation Inputs and relationship to fair value

- (a). During the year, the contingent consideration arising against ESOP cancellation and the Optionally Convertible Redeemable Preference Shares (OCRPS) from the acquisition of PSTPL have been finalised based on the achievement of agreed performance conditions. Accordingly, the fair value of these financial liabilities as at March 31, 2026 amounts to ₹ 104 lakhs and ₹ 754 lakhs, respectively, and there is no further estimation uncertainty associated with these instruments. The outstanding liabilities as at March 31, 2026 are fixed and determinable, and the same are scheduled to be settled on August 31, 2026."
- (b). The key valuation inputs in relation to valuation of Level 3 instruments as at March 31, 2025 are given below:

	Level 3 inputs	Weighted range	Sensitivity
		March 31, 2025	
Contingent consideration (Acquisition of PSTPL)	Standard deviation on revenue and EBITDA growth	5%	Increase and decrease in standard deviation by 1% would decrease and increase contingent consideration by ₹ 42 lakhs and ₹ 78 lakhs respectively.
	Discount rate	7%	Increase and decrease in discount rate by 1% would decrease and increase contingent consideration by ₹ 46 lakhs and ₹ 45 lakhs respectively.
Optionally Convertible Redeemable Preference Shares (OCRPS) (Acquisition of PSTPL)	Standard deviation on revenue and EBITDA growth	5%	Increase and decrease in standard deviation by 1% would decrease and increase contingent consideration by ₹ 112 lakhs and ₹ 165 lakhs respectively.
	Discount rate	7%	Increase and decrease in discount rate by 1% would decrease and increase contingent consideration by ₹ 48 lakhs and ₹ 49 lakhs respectively.
Contingent consideration (Acquisition of Aureus)	Standard deviation on revenue and EBITDA growth	4%	Increase and decrease in standard deviation by 1% would decrease and increase contingent consideration by ₹ 45 lakhs and ₹ 14 lakhs respectively.
	Discount rate	5%	Increase and decrease in discount rate by 1% would decrease and increase contingent consideration by ₹ 1 lakhs and ₹ 19 lakhs respectively.

Notes to the Consolidated Financial Statements for the year ended March 31, 2026

(All amounts in ₹ lakhs, unless otherwise stated)

v) Reconciliation of Contingent consideration and OCRPS measured at FVTPL

	March 31, 2026	March 31, 2025
As at April 1	16,572	1,389
Acquisition of subsidiary	-	13,296
Additions during the year	-	1,113
Amount recognised in profit and loss statement - refer note 30	458	837
Loss/(Gain) on re-measurement/derecognition - refer note 32	(344)	1,216
Settlement during the year	(16,489)	(1,401)
Foreign currency translation reserve	701	122
As at March 31	898	16,572

Reconciliation of Investment in Solvio measured at FVOCI

	March 31, 2026	March 31, 2025
As at April 1	-	-
Investment during the period	-	507
Change in fair value recognised in other comprehensive income	-	(507)
Foreign currency translation reserve	-	-
As at March 31	-	-

37 Financial risk management

The Group's principal financial liabilities comprise of borrowings, bank overdraft, lease obligation, contingent consideration, OCRPS, trade and other payables. The main purpose of these financial liabilities is to finance the Group's operations. The Group's principal financial assets include security deposits, investments, trade and other receivables, unbilled revenue and contract assets and cash and cash equivalents that is derived directly from its operations. The Group also enters into derivative transactions for hedging purpose.

The Group's activities exposes it to market risk, liquidity risk and credit risk. The Group's risk management is carried out by the management under the policies approved of the Board of Directors that help in identification, measurement, mitigation and reporting all risks associated with the activities of the Group. These risks are identified on a continuous basis and assessed for the impact on the financial performance. All derivative activities for risk management purposes are carried out by specialist teams that have the appropriate skills, experience and supervision. It is the Group's policy that no trading in derivatives for speculative purposes may be undertaken. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarized below.

A) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and equity price risk. Financial instruments affected by market risk include loans and borrowings, deposits, investments, contingent considerations, OCRPS, trade receivables, unbilled revenues, contract assets and derivative financial instruments.

i. Foreign currency risk

The group's operates in various geographies and is exposed to foreign exchange risk on its various currency exposures. The risk of changes in foreign exchange rates relates primarily to the group's operating activities. The Group transacts in various currencies but foreign currency risk primarily arises from USD, GBP, SGD and EUR.

The group uses foreign currency forward contract and CCIRS governed by its board approved policy to mitigate its foreign currency risk that are expected to occur within the period for forecasted sales.

Notes to the Consolidated Financial Statements for the year ended March 31, 2026

(All amounts in ₹ lakhs, unless otherwise stated)

The counterparty for these contracts is generally a reputed scheduled bank. The group reports quarterly to a committee of the board, which monitors foreign exchange risks and policies implemented to manage its foreign exchange exposures.

When a derivative is entered into for the purpose of being a hedge, the group negotiates the terms of those derivatives to match the terms of the hedged exposure. For hedges of forecast transactions, the derivatives cover the period of exposure from the point the cash flows of the transactions are forecasted up to the point of sale that is denominated in the foreign currency.

Hedge effectiveness is determined at inception and periodic prospective effectiveness testing is done to ensure the relationship exist between the hedged items and hedging instruments, including whether the hedging instruments is expected to offset changes in cash flows of hedge items.

a) The Group's exposure to non-derivative financial instruments in foreign currency at the end of reporting period :

		Amount in Lakhs			
Currency	Particulars	March 31, 2026		March 31, 2025	
		FC	₹	FC	₹
	Financial assets				
USD	Trade receivables	259	24,528	229	19,556
	Loans	*	*	15	1,246
	Other financial assets	69	6,589	132	11,211
	Bank accounts	36	3,381	50	4,329
	Other assets	8	782	10	858
	Net exposure on foreign currency risk (assets)	372	35,279	436	37,199
	Financial liability				
	Borrowings	248	23,470	333	28,466
	Trade payables	33	3,093	19	1,620
	Other financial liabilities	97	9,183	33	2,831
	Other liabilities	*	47	36	3,092
	Net exposure on foreign currency risk (liabilities)	377	35,792	421	36,009
	Net exposure on foreign currency risk (assets-liabilities)	(5)	(513)	14	1,190
EURO	Financial assets				
	Trade receivables	24	2,607	23	2,082
	Other financial assets	1	160	6	515
	Bank accounts	1	94	-	9
	Other assets	*	21	-	-
	Net exposure on foreign currency risk (assets)	26	2,883	28	2,606
	Financial liability				
	Borrowings	*	49	5	460
	Trade payables	*	*	-	-
	Other liabilities	*	47	-	37
	Net exposure on foreign currency risk (liabilities)	-	97	5	497
	Net exposure on foreign currency risk (assets-liabilities)	26	2,786	23	2,109

Notes to the Consolidated Financial Statements for the year ended March 31, 2026

(All amounts in ₹ lakhs, unless otherwise stated)

		Amount in Lakhs			
Currency	Particulars	March 31, 2026		March 31, 2025	
		FC	₹	FC	₹
	Financial assets				
GBP	Trade receivables	4	485	4	458
	Loans	*	6		
	Other financial assets	1	131	2	227
	Bank accounts	3	352	5	541
	Other assets	*	36	*	*
	Net exposure on foreign currency risk (assets)	8	1,010	11	1,226
	Financial liability				
	Trade payables	1	76	-	44
	Other financial liabilities	5	612	6	660
	Other liabilities	4	354	1	81
	Net exposure on foreign currency risk (liabilities)	9	1,043	7	786
	Net exposure on foreign currency risk (assets-liabilities)	(1)	(32)	5	440
SGD	Financial assets				
	Trade receivables	6	411	17	1,084
	Other financial assets	20	1,488	14	915
	Bank accounts	14	1,010	13	851
	Other assets	*	*	-	-
	Net exposure on foreign currency risk (assets)	40	2,910	45	2,849
	Financial liability				
	Borrowings	-	-	-	-
	Trade payables	1	101	1	82
	Other financial liabilities	*	14	-	27
	Other liabilities	3	190	4	227
	Net exposure on foreign currency risk (liabilities)	4	305	5	336
	Net exposure on foreign currency risk (assets-liabilities)	36	2,604	40	2,513
HKD	Financial assets				
	Trade receivables	3	36	11	118
	Other financial assets	4	44	4	47
	Bank accounts	13	155	8	89
	Other assets	*	*	-	-
	Net exposure on foreign currency risk (assets)	20	236	23	255
	Financial liability				
	Borrowings	-	-	-	-
	Trade payables	2	19	1	10
	Other financial liabilities	*	3	-	-
	Other liabilities	*	3	-	-
	Net exposure on foreign currency risk (liabilities)	2	25	1	10
	Net exposure on foreign currency risk (assets-liabilities)	18	211	22	244

Notes to the Consolidated Financial Statements for the year ended March 31, 2026

(All amounts in ₹ lakhs, unless otherwise stated)

		Amount in Lakhs			
Currency	Particulars	March 31, 2026		March 31, 2025	
		FC	₹	FC	₹
IDR	Financial assets				
	Trade receivables	25,435	142	6,948	36
	Other financial assets	17,564	98	3,474	18
	Bank accounts	*	*	-	-
	Other assets	*	*	-	-
	Net exposure on foreign currency risk (assets)	42,999	240	10,422	54
	Financial liability				
	Borrowings	*	*	*	*
	Trade payables	*	*	*	*
	Other financial liabilities	*	*	*	*
	Other liabilities	*	*	*	*
	Net exposure on foreign currency risk (liabilities)	*	*	*	*
	Net exposure on foreign currency risk (assets-liabilities)	42,999	240	10,422	54

The Group enters into derivative financial instruments such as foreign currency forward contracts and Cross currency interest rate swaps to mitigate the risk of changes in exchange rates. Details of the derivative contracts held by the Group are included in Note 36(B)

* Represents number below rounding off norms of the Company.

b) The sensitivity of profit or loss to changes in foreign exchange rates arising mainly from foreign currency denominated financial instrument:

	Impact on profit before tax	
	March 31, 2026	March 31, 2025
USD sensitivity		
₹/ USD increases by 5%	(26)	60
₹/ USD decreases by 5%	26	(60)
EURO sensitivity		
₹/ EURO increases by 5%	139	105
₹/ EURO decreases by 5%	(139)	(105)
GBP sensitivity		
₹/ GBP increases by 5%	(2)	22
₹/ GBP decreases by 5%	2	(22)
SGD sensitivity		
₹/ SGD increases by 5%	130	126
₹/ SGD decreases by 5%	(130)	(126)

* Sensitivity is calculated holding all other variables constant

In management's opinion, the sensitivity analysis is unrepresentative of the inherent foreign exchange risk as the year end exposure does not reflect the exposure during the year.

Notes to the Consolidated Financial Statements for the year ended March 31, 2026

(All amounts in ₹ lakhs, unless otherwise stated)

ii. Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

a) Borrowings

The Company's exposure to the interest rate risk primarily arises from the floating rate borrowings including working capital loans and other revolving line of credit.

During the current year, the Company has entered into Interest Rate Swap (IRS) to mitigate the interest rate risk on its fixed rate borrowings. The Company has designated the interest rate swap as fair value hedge. Under the swap arrangement, Company receives fixed interest rate and pays floating interest benchmarked to 1M Tbill + spread, thereby converting fixed rate borrowing into floating rate borrowing.

The Company assesses the hedge effectiveness prospectively and retrospectively and expects the hedge relationship to remain highly effective throughout the hedge period

Sensitivity:

Floating rate borrowings are short term in nature, hence sensitivity has not been disclosed. The fixed rate borrowing is designated in a fair value hedge and hence does not cause any variability.

b) Investments:

Company's investment are primarily in medium to long term debt mutual funds, which is exposed to significant interest rate risk. The Company mitigates the same by diversifying its portfolio across multiple schemes."

iii. Price risk

The Group exposure to price risk arises for investment in mutual funds, TECH4TH Solutions Inc and Solvio Inc. held by the Group. To manage its price risk arising from investments in mutual funds, the Group diversifies its portfolio.

Sensitivity:

The sensitivity of profit or loss to change in Net assets value(NAV) as at year end for investment in mutual funds.

	Impact on profit before tax	
	March 31, 2026	March 31, 2025
NAV increases by 5%	2,518	1,752
NAV decreases by 5%	(2,518)	(1,752)

Notes to the Consolidated Financial Statements for the year ended March 31, 2026

(All amounts in ₹ lakhs, unless otherwise stated)

B) Impact of Hedge activities

(i) The following provides the details of hedging instrument and its impact on balance sheet

Amount in Lakhs

	March 31, 2026					
	Maturity	Currency	Notional Amount (Foreign Currency)	Contracted amount in ₹	Line item in the balance sheet	Fair value* gain/(loss)
Cash flow hedge of Foreign currency risk						
(for highly probable forecast transactions)						
- Foreign currency forward contracts	< 1 year	₹/USD	632	58,120	Other financial assets/(liabilities)	(2,552)
- Foreign currency forward contracts	< 1 year	₹/EURO	5	5,668	Other financial assets/(liabilities)	7
- Interest rate swaps	<1 year	₹/USD	-	-	Other financial assets/(liabilities)	-
- Cross currency interest rate swaps	<1 year	₹/USD	14	1,103	Other financial assets/(liabilities)	(1,695)
	1-5 year	₹/USD	73	5,854	Other financial assets/(liabilities)	
	> 5year	₹/USD	32	2,553	Other financial assets/(liabilities)	
Fair value hedge						
- Interest rate swap	<1 year	₹	-	24,900	Other financial assets/(liabilities)	(22)
	1-5 year	₹	-		Other financial assets/(liabilities)	(416)

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(All amounts in ₹ lakhs, unless otherwise stated)

	Maturity	Currency	March 31, 2025		Line item in the balance sheet	Fair value*
			Notional Amount (Foreign Currency)	Contracted amount in ₹		
Cash flow hedge of Foreign currency risk						
(for highly probable forecast transactions)						
- Foreign currency forward contracts	< 1 year	₹/USD	447	38,503	Other financial assets/(liabilities)	(39)
- Foreign currency forward contracts	< 1 year	₹/EURO	39	3,591	Other financial assets/(liabilities)	80
- Cross currency interest rate swaps	<1 year	₹/USD	12	968	Other financial assets/(liabilities)	(372)
	1-5 year	₹/USD	87	6,957	Other financial assets/(liabilities)	
	> 5year	₹/USD	32	2,553	Other financial assets/(liabilities)	

* represents the impact of mark to market value at year end.

(ii) The effect of cash flow hedge in hedge reserve and statement of profit and loss:

	Foreign currency forward contracts	Cross currency interest rate swaps	Total
Balance as at April 1, 2024	33	(61)	(28)
Hedge gain/(loss) recognised in Other Comprehensive Income (OCI)	41	(372)	(331)
Amount reclassified from OCI to statement of profit and loss	(43)	83	40
Income tax effect	0	73	73
Balance as at March 31, 2025	31	(278)	(246)
Hedge gain/(loss) recognised in Other Comprehensive Income (OCI)	(2,545)	(1,695)	(4,240)
Amount reclassified from OCI to statement of profit and loss	(41)	372	331
Income tax effect	668	333	1,001
Balance as at March 31, 2026	(1,887)	(1,268)	(3,155)

Amounts reclassified from the OCI is recognised in foreign exchange gain or loss in Statement of Profit and Loss.

Notes to the Consolidated Financial Statements for the year ended March 31, 2026

(All amounts in ₹ lakhs, unless otherwise stated)

C) Credit risk

Credit risk is the risk that counter party will not meet its obligations under a financial instruments or customer contract leading to a financial loss. The Group is exposed to credit risk from its operating activities (primarily trade receivables, unbilled revenue and contract assets) and from investing activities (primarily deposits with banks).

(i) Trade receivables, unbilled revenue and contract assets.

Trade receivables, unbilled revenue and contract assets are typically unsecured and derived from revenue from contracts with customers. Customer credit risks is managed by each business units subject to Group's policy and procedures which involves continuously monitoring the credit worthiness of customers to which the Group grants credits in the normal course of business. The Group follows 'simplified approach' for recognition of impairment loss allowance on trade receivable. Under the simplified approach, the Group does not track changes in credit risk. Rather, it recognizes impairment loss allowance based on lifetime Expected Credit Losses (ECLs) at each reporting date, right from initial recognition. The Group uses a provision matrix to determine impairment loss allowance on the portfolio of trade receivables. The provision matrix takes into account available external and internal credit risk factors and the Group's historical experience with customers.

Reconciliation of loss allowance - trade receivables	March 31, 2026	March 31, 2025
Opening balance as at April, 1	(2,635)	(1,157)
Loss allowance from acquisition of subsidiary	-	(442)
Allowance made during the year (net) - refer note 31A	(749)	(1,602)
Utilised/written-off during the year	1,381	560
Exchange difference	(191)	6
Closing balance as at March, 31	(2,194)	(2,635)

Reconciliation of loss allowance - unbilled revenue and other financial assets	March 31, 2026	March 31, 2025
Opening balance as at April, 1	(286)	(274)
(Allowance)/utilisation made during the year - refer note 31A	15	(12)
Closing balance as at March, 31	(271)	(286)

(ii) Other financial assets and cash deposit

Credit risk from balances with the banks, loans, investments in mutual funds and other financial assets are managed by the Group based on the Group policy and is managed by the Group's Treasury Team. Investment of surplus fund is made only with approved counterparties. The Group's maximum exposure to credit risk is the carrying amount of such assets as disclosed in note 36 above.

D) Liquidity risk

Liquidity risk is the risk that the Group may not be able to meet its present and future cash and collateral obligations without incurring unacceptable losses. The Group's objective it to, at all times maintain optimum levels of liquidity to meet its cash and collateral requirements. The Group closely monitors its position and maintains adequate source of financing.

The Group has access to undrawn borrowing facilities amounting to ₹ 32,135 lakhs (March 31, 2025: ₹ 21,370 lakhs) at the end of March 31, 2026.

The table below summarises the maturity profile of the Group's financial liabilities at the reporting date. The amounts are based on contractual undiscounted payments.

Notes to the Consolidated Financial Statements for the year ended March 31, 2026

(All amounts in ₹ lakhs, unless otherwise stated)

Particulars	On demand	Less than 1 year	More than 1 year	Total
As at March 31, 2026				
Borrowings (including current maturities)	77,767	29,207	34,292	141,266
Lease liabilities	-	3,778	4,435	8,213
Trade payables	-	9,651	-	9,651
Foreign currency forward contracts	-	2,552	1,715	4,267
Contingent consideration	-	144	-	144
OCRPS liability	-	-	754	754
Other financial liabilities #	-	5,204	-	5,204
	77,767	50,536	41,196	169,499
As at March 31, 2025				
Borrowings (including current maturities)	58,931	23,622	33,537	116,090
Lease liabilities	-	3,832	5,311	9,143
Trade payables	-	10,481	-	10,481
Foreign currency forward contracts	-	217	613	830
Contingent consideration	-	8,953	1,528	10,481
OCRPS liability	-	-	5,533	5,533
Other financial liabilities #	-	5,453	-	5,453
	58,931	52,559	46,521	158,011

Includes future interest payable on outstanding borrowings

38 Capital management

For the purpose of the Group's capital management, capital includes issued equity capital, convertible preference shares, securities premium and all other equity reserves. The primary objective of the Group's capital management is to maintain a strong capital base to ensure sustained growth in business and to maximize the shareholders value. The capital management focuses to maintain an optimal structure that balances growth and maximizes shareholder value.

The Group manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Group includes within net debt, interest bearing loans and borrowings, less cash and cash equivalents. The Group's gearing ratio, which is net debt divided by total capital plus net debt is as below:

Particulars	March 31, 2026	March 31, 2025
Borrowings (including current maturities)	141,267	116,091
Less : Cash and cash equivalents	(11,966)	(11,912)
Net (cash and cash equivalents)/debt (A)	129,301	104,179
Equity	168,949	157,458
Total equity capital (B)	168,949	157,458
Total debt and equity (C)=(A)+(B)	298,250	261,637
Gearing ratio (A)/(C)	43%	40%

No changes were made in the objectives, policies or processes for managing capital during the year ended March 31, 2026 and March 31, 2025.

During the year the group has not defaulted in any loan covenants.

Notes to the Consolidated Financial Statements for the year ended March 31, 2026

(All amounts in ₹ lakhs, unless otherwise stated)

39 Related party disclosure

Key management personnel (KMP)	1. Mr. Ashok Soota (Chairman)
	2. Mr. Venkatraman Narayanan (Managing Director)
	3. Mr. Joseph Vinod Anantharaju (Co-Chairman & CEO)
	4. Mr. Rajiv Indravadan Shah (Director)
	5. Mr. Praveen Darshankar (Director & Company Secretary)
	6. Mrs. Anita Ramachandran (Independent director)
	7. Mr. Rajendra Kumar Srivastava (Independent director)
	8. Mrs. Shuba Rao Mayya (Independent director)
	9. Mr. Seshashayee Sampathiyengar Sridhara (Independent Director)
	10. Mr. Anand Balakrishnan (Chief Financial Officer w.e.f. 12.06.2025)
Relatives of KMP	1. Mr. Deepak Soota
	2. Ms. Kunku Soota
	3. Ms. Suresh Soota
	4. Ms. Veena Soota
	5. Mrs. Usha Samuel
	6. Mrs. Jayalakshmi Venkatraman
Entities under the control of KMP	SKAN Research Trust
	Happiest Health Systems Private Limited
	Ashok Soota Medical Research LLP
Post employment benefit plan (PEBP)	Happiest Minds Technologies Pvt. Ltd. Employees group gratuity trust
	Sri Mookambika Infocom Solutions Gratuity Trust

a) The following table is the summary of significant transactions with related parties by the Group:

	March 31, 2026	March 31, 2025
(i) Sale of service		
SKAN Research Trust	1,998	1,110
Ashok Soota Medical Research LLP	644	19
Happiest Health Systems Private Limited	7,095	1,760
(ii) Director's sitting fees:		
Mrs. Anita Ramachandran	22	23
Mr. Rajendra Kumar Srivastava	24	21
Mrs. Shuba Rao Mayya	20	22
Mr. Seshashayee Sampathiyengar Sridhara	13	8
(iii) Commission to directors		
Mrs. Anita Ramachandran	18	7
Mr. Rajendra Kumar Srivastava	21	14
Mrs. Shuba Rao Mayya	20	8
Mr. Seshashayee Sampathiyengar Sridhara	27	22
(iv) Contribution made to post employee benefit plan:		
Happiest Minds Technologies Pvt. Ltd. Employees group gratuity trust	596	281
(v) Legal and professional fees		
Happiest Health Systems Private Limited	75	62

Notes to the Consolidated Financial Statements for the year ended March 31, 2026

(All amounts in ₹ lakhs, unless otherwise stated)

	March 31, 2026	March 31, 2025
(vi) Advertising and business promotion expenses		
Happiest Health Systems Private Limited	139	43
(vii) Managerial remuneration# :		
Mr. Venkatraman Narayanan		
Salary, wages and bonus	356	171
Share based payment expenses	81	-
Mr. Ashok Soota		
Salary, wages and bonus	397	182
Mr. Praveen Darshankar		
Salary, wages and bonus	67	63
Share based payment expenses	6	-
Mr. Joseph Vinod Anantharaju		
Salary, wages and bonus	578	432
Share based payment expenses	135	-
Mr. Rajiv Shah		
Salary, wages and bonus	198	365
Mr. Anand Balakrishnan		
Salary, wages and bonus	113	-
#As the liability for gratuity and compensated leave absences is provided on an actuarial basis for the Group as a whole, the amount pertaining to the directors are not included above.		
* amount below rounding off norm of the Group		
viii) Dividend paid		
Mr. Joseph Vinod Anantharaju	23	24
Mr. Ashok Soota	3,078	3,129
Mr. Venkatraman Narayanan	17	28
Ashok Soota Medical Research LLP	1,122	1,032
Deepak Soota	2	3
Kunku Soota	1	1
Usha Samuel	5	4
Praveen Kumar Darshankar	3	3
Rajiv Shah	8	10
Veena Soota	1	1
Mr. Anand Balakrishnan*	*	-
* amount below rounding off norm of the Group		

Notes to the Consolidated Financial Statements for the year ended March 31, 2026

(All amounts in ₹ lakhs, unless otherwise stated)

b) The balances receivable from and payable to related parties are as follows :

	March 31, 2026	March 31, 2025
(i) Trade receivables:		
SKAN Research Trust	123	470
Happiest Health Systems Private Limited	2,027	464
Ashok Soota Medical Research LLP	370	6
(ii) Unbilled receivables:		
SKAN Research Trust	498	49
Ashok Soota Medical Research LLP	236	-
Happiest Health Systems Private Limited	3,560	185
(iii) Trade Payables		
Happiest Health Systems Private Limited	26	-
(iv) Commission payable		
Mrs. Anita Ramachandran	18	7
Mr. Rajendra Kumar Srivastava	21	14
Mrs. Shuba Rao Mayya	20	8
Mr. Seshashayee Sampathiyengar Sridhara	27	22

Terms and conditions of transactions with related parties:

- The sales to and purchases from related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured and interest free and settlement occurs in cash. There have been no guarantees provided or received for any related party receivables or payables except as mentioned in (ii) below. For the year ended March 31, 2026 and March 31, 2025, the Group has not recorded any impairment of receivables relating to amounts owed by related parties. This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.
- During the current year, the Parent has provided a corporate guarantee in favour of Citibank NA on behalf of Happiest Minds Inc. for an amount of ₹ 7,586 Lakhs (USD 8 million) for the term loan taken by Happiest Minds Inc (refer note 41).

Notes to the Consolidated Financial Statements for the year ended March 31, 2026

(All amounts in ₹ lakhs, unless otherwise stated)

40 Interest in other entities

a) Subsidiary

The Group's subsidiary is set out below. Unless otherwise stated, they have share capital consisting solely of equity shares that are held directly by the Group and proportion of ownership interests held equals the voting rights held by the Group. The country of incorporation or registration is also their principal place of business:

Name of entity	Principal activity	Country of Incorporation	Ownership interest held by the group %	Ownership interest held by the group %
			March 31, 2026	March 31, 2025
Happiest Minds Inc. (formerly known as PGS Inc.)	IT Services	USA	100%	100%
PureSoftware Technologies Private Limited	IT Services	India	100%	100%
PureSoftware Pte Limited, Singapore ("PS Pte Ltd")	IT Services	Singapore	100%	100%
PureSoftware Corp, USA	IT Services	USA	100%	100%
PureSoftware Technology, S de R L de C.V, Mexico	IT Services	Mexico	100%	100%
PureSoftware Sdn Bhd, Malaysia	IT Services	Malaysia	100%	100%
PureSoftware HK Limited, Hong Kong	IT Services	Hong Kong	100%	100%
PureSoftware Africa Ltd, Kenya	IT Services	Kenya	100%	100%
PureSoftware Technologies Romania S.R.L, Romania	IT Services	Romania	100%	100%
PureSoftware Private Limited, UK	IT Services	UK	100%	100%
PureSoftware Private Limited, Nepal	IT Services	Nepal	100%	100%
Aureus Tech Systems Private Limited	IT Services	India	100%	100%
InnovazIT Technologies LLC	IT Services	UAE	100%	100%
GAVS Technologies LLC	IT Services	Oman	100%	100%
GAVS Technologies Saudi Arabia for Telecommunications and Information Technology	IT Services	Saudi	100%	100%

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

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

Notes to the Consolidated Financial Statements for the year ended March 31, 2026

(All amounts in ₹ lakhs, unless otherwise stated)

b) Additional information, as required under schedule III of the Companies Act, 2013, as required enterprises considered as subsidiary.

Particular	March 31, 2026							
	Net assets		Share in profit or (loss)		Share in other comprehensive income		Share in total comprehensive income	
	As a % of Consolidated net assets	Amount	As a % of Consolidated profit or loss	Amount	As a % of Consolidated OCI	Amount	As a % of Consolidated TCI	Amount
Parent company								
Happiest Minds Technologies Ltd	96.9%	163,660	105.4%	22,412	237.5%	(2,477)	98.6%	19,935
Subsidiary								
Happiest Minds Inc. (formerly known as PGS Inc.)	2.9%	4,940	20.0%	4,258	0.0%	-	21.1%	4,258
PureSoftware Technologies Private Limited	3.5%	5,886	32.3%	6,868	0.5%	(5)	33.9%	6,863
PureSoftware Pte Ltd	(2.7%)	(4,611)	(5.8%)	(1,227)	0.0%	-	(6.1%)	(1,227)
PureSoftware HK Ltd	0.1%	112	0.2%	41	0.0%	-	0.2%	41
PureSoftware Corp	0.7%	1,101	0.3%	70	0.0%	-	0.3%	70
PureSoftware Sdn Bhd	0.2%	421	0.4%	92	0.0%	-	0.5%	92
Pure Software Pvt Ltd (UK)	(0.0%)	(34)	0.0%	4	0.0%	-	0.0%	4
PureSoftware Technology, S. de R.L. de C.V	0.0%	2	0.1%	16	0.0%	-	0.1%	16
PureSoftware Africa Ltd	(0.2%)	(416)	(0.2%)	(52)	0.0%	-	(0.3%)	(52)
PureSoftware Technologies Romania S.R.L.	0.0%	44	0.0%	1	0.0%	-	0.0%	1
PureSoftware Pvt Ltd (Nepal)	(0.0%)	(23)	0.0%	(2)	0.0%	-	(0.0%)	(2)
InnovazIT Technologies LLC	0.6%	1,041	1.5%	320	0.0%	-	1.6%	320
GAVS Technologies LLC	0.6%	993	1.2%	248	0.0%	-	1.2%	248
GAVS Technologies Saudi Arabia for Telecommunications and Information Technology	(0.0%)	(82)	(0.3%)	(58)	0.0%	-	(0.3%)	(58)
Aureus Tech Systems India Private Limited	0.9%	1,472	2.2%	461	0.4%	(4)	2.3%	457
Other adjustments:	(3.3%)	(5,558)	(57.3%)	(12,189)	(138.4%)	1,443	(53.1%)	(10,746)
Total	100%	168,949	100%	21,262	100%	(1,043)	100%	20,219

Notes to the Consolidated Financial Statements for the year ended March 31, 2026

(All amounts in ₹ lakhs, unless otherwise stated)

Particular	March 31, 2025							
	Net assets		Share in profit or (loss)		Share in other comprehensive income		Share in total comprehensive income	
	As a % of Consolidated net assets	Amount	As a % of Consolidated profit or loss	Amount	As a % of Consolidated OCI	Amount	As a % of Consolidated TCI	Amount
Parent company								
Happiest Minds Technologies Ltd	96.8%	152,443	84.2%	15,543	99.3%	(605)	83.7%	14,938
Subsidiary								
Happiest Minds Inc. (formerly known as PGS Inc.)	1.4%	2,190	17.1%	3,156	65.2%	(397)	15.5%	2,759
Aureus Tech Systems India Private Limited	0.6%	1,015	1.6%	288	3.6%	(22)	1.5%	266
PureSoftware Technologies Private Limited	4.5%	7,041	30.8%	5,690	0.9%	(6)	31.8%	5,684
PureSoftware Pte Ltd	(1.9%)	(2,971)	(0.5%)	(88)	0.0%	-	(0.5%)	(88)
PureSoftware HK Ltd	0.0%	62	0.3%	52	0.0%	-	0.3%	52
PureSoftware Corp	0.6%	925	0.0%	5	0.0%	-	0.0%	5
PureSoftware Sdn Bhd	0.2%	262	0.3%	47	0.0%	-	0.3%	47
Pure Software Pvt Ltd (UK)	(0.0%)	(33)	(0.2%)	(31)	0.0%	-	(0.2%)	(31)
PureSoftware Technology, S. de R.L. de C.V	(0.0%)	(12)	(0.4%)	(68)	0.0%	-	(0.4%)	(68)
PureSoftware Africa Ltd	(0.2%)	(326)	0.2%	38	0.0%	-	0.2%	38
PureSoftware Technologies Romania S.R.L.	0.0%	38	0.0%	0	0.0%	-	0.0%	0
PureSoftware Pvt Ltd (Nepal)	(0.0%)	(21)	(0.1%)	(22)	0.0%	-	(0.1%)	(22)
InnovazIT Technologies LLC	0.2%	332	(0.2%)	(33)	0.0%	-	(0.2%)	(33)
GAVS Technologies LLC	0.4%	650	(0.1%)	(9)	0.0%	-	(0.1%)	(9)
GAVS Technologies Saudi Arabia for Telecommunications and Information Technology	(0.0%)	(22)	(0.2%)	(37)	0.0%	-	(0.2%)	(37)
Other adjustments:	(2.6%)	(4,115)	(32.9%)	(6,066)	(69.1%)	421	(31.6%)	(5,645)
Total	100%	157,458	100%	18,466	100%	(609)	100%	17,857

Notes to the Consolidated Financial Statements for the year ended March 31, 2026

(All amounts in ₹ lakhs, unless otherwise stated)

41 Commitments and Contingent Liabilities

i) Contingent liabilities:

Particulars	March 31, 2026	March 31, 2025
Claims against the Company, not acknowledged as debts (including interest and penalty)		
Income Tax - relating to disallowance of expense	523	834
Goods and Service Tax - denial of input tax credit on expenses and difference in GSTR-3B and GSTR-1	867	836
Tax Deducted at Source(TDS) matters	5	5

ii) Capital Commitments

Particulars	March 31, 2026	March 31, 2025
Capital commitments towards purchase of capital assets	2,369	892

iii) Other claims against the Group not provided for in the books

- a) The Company is also subject to certain other claims and suits that arise from time to time in the ordinary course of its business. While the Company currently believes that such claims, individually or in aggregate, will not have a material adverse impact on its financial position, cash flows, or results of operations, the litigation and other claims are subject to inherent uncertainties, and management's view of these matters may change in the future. Were an unfavourable final outcome to occur in any one or more of these matters, there exists the possibility of a material adverse impact on the Company's business, reputation, financial condition, cash flows, and results of operations for the period in which the effect becomes reasonably estimable.

42 Segment Information

A. Description of segments and principal activities

The Group executive management committee examines the Group's performance on the basis of its business units and has identified three reportable segments:

i) Infrastructure Management & Security Services (IMSS):

Infrastructure Management and Security Solutions (IMSS) group delivers integrated end-to-end infrastructure and security solutions with specialization in cloud, virtualization and mobility across a multitude of industry verticals and geographies. The group provides advisory, transformation, managed & hosted services and secure intelligence solutions to clients. This group has unique productized solution platforms for smart infrastructure and security solutions provides quick to deploy, mature service delivery over Global SOC/NOC.

ii) Product and Digital Engineering Services (PDES):

Product and Digital Engineering Services business unit helps build future-ready products and platforms for clients while enabling enterprises to carry out large scale digital transformation programs. This group provides comprehensive end-to-end product and digital engineering services that cover platform development, device engineering, quality assurance, experience engineering and technology acceleration for enterprises and digital natives around the world. The services provided by the PDES business unit help product-oriented companies accelerate time to market, optimize development costs and drive greater business value while helping enterprises unlock operational efficiencies, glean intelligent insights, and reimagine customer experiences.

iii) Generative AI Business Services (GBS):

Generative AI Business Services helps customers navigate and lead in the AI-driven era by acting as a trusted partner in their transformation journey. We aim to accelerate innovation, improve operational efficiency, and deliver tangible business value through the strategic adoption of Generative AI. This Segment ensures seamless integration of Generative AI into business processes. This business includes process automation services, workflow optimization services and predictive analysis services.

Notes to the Consolidated Financial Statements for the year ended March 31, 2026

(All amounts in ₹ lakhs, unless otherwise stated)

B. Segment revenue, segment results other information as at/ for the year:

Year ended March 31, 2026

	IMSS	PDES	GBS	Total
Revenue from contracts with customers				
External customers	38,909	184,736	7,866	231,511
Inter-segment				-
Segment revenue	38,909	184,736	7,866	231,511
Segment results	10,554	46,876	1,099	58,529

Reconciliation to profit after tax:

Interest income	5,912
Net gain on investments carried at fair value through profit or loss	2,515
Unallocable income	(130)
Unallocable finance cost	(5,238)
Unallocable depreciation and amortisation expenses	(4,580)
Other unallocable expenses	(26,729)
Exceptional item	(1,859)
Tax	(7,159)
Profit for the year	21,262

	IMSS	PDES	GBS	Total
Segment assets	10,979	156,817	1,926	169,722
Reconciliation to total assets:				
Investments				50,351
Derivative instruments				27
Other unallocable assets				142,411
Total				362,511

	IMSS	PDES	GBS	Total
Segment liabilities	2,613	74,522	246	77,381
Reconciliation to total liabilities:				
Borrowings				81,149
Other unallocable liabilities				35,032
Total				193,562

Year ended March 31, 2025

	IMSS	PDES	GBS	Total
Revenue from contracts with customers				
External customers	32,832	169,690	3,562	206,084
Inter-segment	-	-	-	-
Segment revenue	32,832	169,690	3,562	206,084
Segment results	9,176	39,745	(1,339)	47,583

Notes to the Consolidated Financial Statements for the year ended March 31, 2026

(All amounts in ₹ lakhs, unless otherwise stated)

Reconciliation to profit after tax:

Interest income	8,976
Net gain on investments carried at fair value through profit or loss	1,240
Other unallocable income	(79)
Unallocable finance cost	(5,947)
Unallocable depreciation and amortisation expenses	(4,317)
Other unallocable expenses	(21,911)
Tax	(7,080)
Profit for the year	18,466

	IMSS	PDES	GBS	Total
Segment assets	10,639	152,035	248	162,922

Reconciliation to total assets:

Investments	35,039
Derivative instruments	499
Other unallocable assets	137,446
Total	335,906

	IMSS	PDES	GBS	Total
Segment liabilities	2,648	96,570	3	99,221

Reconciliation to total liabilities:

Borrowings	63,559
Other unallocable liabilities	15,668
Total	178,448

Note

- (i) Assets (other than certain Goodwill and Intangible assets, trade receivable and unbilled revenue) and liabilities (other than unearned revenue) of the Group are used interchangeably between segments, and the management believes that it can not be allocated to specific segment.
- (ii) The expense / income that are not directly attributable and that cannot be allocated to a business segment on a reasonable basis are shown as unallocable expenses.

C. Entity-wide disclosures

- i) The amount of revenue from external customers broken down by location of customers is shown below:

	For the year ended	
	March 31, 2026	March 31, 2025
India	36,549	29,528
USA	142,386	133,134
Europe	17,180	16,779
Others	35,396	26,643
	231,511	206,084

Notes to the Consolidated Financial Statements for the year ended March 31, 2026

(All amounts in ₹ lakhs, unless otherwise stated)

- ii) The break-up of non-current assets by location of assets is shown below:

	For the year ended	
	March 31, 2026	March 31, 2025
India	101,309	103,061
USA	15,064	17,173
Middle East	736	647
Others	257	251
	117,365	121,133

Non-current assets for this purpose consists of Property, plant and equipment, intangible assets and right-of-use assets.

- iii) There were no customers who individually contributed more than 10% of the Group's total revenue during the years ended March 31, 2026 and March 31, 2025.

43 Share based payments

Employee Share Option Plan (ESOP)

The Parent instituted the Employee Share Option Plan 2011 ("ESOP 2011") and Equity Incentive Plan 2011 ("EIP 2011") for eligible employees during the year ended March 2012 which was approved by the Board of Directors (Board) on October 18, 2011 and January 19, 2012 duly amended by the Board on January 22, 2015.

Besides the above plan, the Parent has also instituted Employee Share Option Plan 2014 ("ESOP 2014") duly approved by the Board on October 20, 2014 and by the shareholders on January 22, 2015. the Parent has also instituted Employee Share Option Plan 2015 ("ESOP 2015") duly approved by the Board on June 30, 2015 and by the shareholders on July 22, 2015. During year ended 2018, the Parent has amended ESOP 2014 and all options granted under ESOP 2014 be deemed to be granted under ESOP 2011 duly approved by the Board on October 25, 2017. The plans are separate for USA employees (working out of the United States America - "USA") and employees working outside USA. the Parent administers these plans.

On April 29, 2020 the Board of the Parent approved Happiest Minds Employee Stock Option Scheme 2020 ("ESOP 2020") consisting of 70,00,000 equity shares. the Parent will henceforth issue grants under the ESOP 2020 only.

The contractual term of each option granted is 5-8 years.

Key features of these plans are provided in the below table:

Key Terms	ESOP 2011	ESOP 2014 / EIP 2011 for US Employees	ESOP 2015 / EIP 2011 for US Employees	ESOP 2020
Class of Share	Equity Shares (as amended vide board meeting held on April 26, 2017 and Annual general meeting held on July 31, 2017).	Pursuant to conversion of Class B Non-voting Equity Shares (entitled under ESOP 2014) to Equity shares (as amended vide board meeting held on April 26, 2017 and Annual general meeting held on July 31, 2017), the Board of Directors at its meeting held on October 25, 2017 approved the administration of options granted and shares allotted under erstwhile ESOP 2014 to ESOP 2011.	Equity Shares (as amended vide board meeting held on April 26, 2017 and Annual general meeting held on July 31, 2017).	Equity Shares (as amended vide board meeting held on April 29, 2020 and extra ordinary general meeting held on May 13, 2020).
Ownership		Legal Ownership	Legal Ownership	Legal Ownership

Notes to the Consolidated Financial Statements for the year ended March 31, 2026

(All amounts in ₹ lakhs, unless otherwise stated)

Key Terms	ESOP 2011	ESOP 2014 / EIP 2011 for US Employees	ESOP 2015 / EIP 2011 for US Employees	ESOP 2020
Vesting Pattern	Four-year vesting term and vest at the rate of 15%, 20%, 30% and 35% at the end of 1,2,3 and 4 years respectively from the date of grant and become fully exercisable, subject to employee being in the employment of the Parent.			One year vesting term from date of grant and become fully exercisable.
Exercise Price	Exercisable at an exercise price of ₹ 2, ₹ 3, ₹ 5 and ₹ 6 per option.	Exercisable at an exercise price of ₹ 2 and ₹ 6 per option.	Exercisable at an exercise price of ₹ 2, ₹ 6.25, ₹ 9.50, ₹ 11.50 and ₹ 26 per option.	Exercisable at an exercise price of ₹ 2 per option.
Economic Benefits / Voting Rights	The holders of the equity shares will be entitled to the economic benefits of holding these shares only after the completion of the various vesting terms mentioned above and shall acquire voting rights as a shareholder of the Parent as duly approved by the shareholders at the meeting held on July 31, 2017.			
				For the year ended
				March 31, 2026 March 31, 2025
Share based payment expense				611 -

Movements during the year

The following table illustrates the number and weighted average exercise price of share options during the year :

March 31, 2026

Options - India/UK Plan	Employee Stock Ownership Plan 2015		Employee Stock Ownership Plan 2020	
	No. of options	WAEP*	No. of options	WAEP*
Outstanding at the beginning of the year	484,668	25.89	-	-
Granted during the year	-	-	45,800	2.00
Exercised during the year	(2,13,119)	26.00	-	-
Forfeited during the year	(29,899)	26.00	-	-
Outstanding options as at the end of the year	241,650	25.78	45,800	2.00
Weighted Average Remaining Contractual Life	1.22 years		1 year	

Options - USA Plan	Equity Incentive Plan for US Employees-2011		Equity Incentive Plan for US Employees-2020	
	No. of options	WAEP*	No. of options	WAEP*
Outstanding at the beginning of the year	11,650	26.00	-	-
Granted during the year	-	-	63,250	2.00
Exercised during the year	(1,950)	26.00	-	-
Forfeited during the year	(2,700)	26.00	-	-
Outstanding options as at the end of the year	7,000	26.00	63,250	2.00
Weighted Average Remaining Contractual Life	0.25 years		1 year	

Notes to the Consolidated Financial Statements for the year ended March 31, 2026

(All amounts in ₹ lakhs, unless otherwise stated)

March 31, 2025

Options - India/UK Plan	Employee Stock Ownership Plan 2015		Employee Stock Ownership Plan 2020	
	No. of options	WAEP*	No. of options	WAEP*
Outstanding at the beginning of the year	1,186,868.50	25.95	-	-
Granted during the year	-	-	-	-
Exercised during the year	(694,066)	26.00	-	-
Forfeited during the year	(8,135)	26.00	-	-
Outstanding options as at the end of the year	484,667.50	25.89	-	-
Weighted Average Remaining Contractual Life	2.03 years		-	

Options - USA Plan	Equity Incentive Plan for US Employees-2011		Equity Incentive Plan for US Employees-2020	
	No. of options	WAEP*	No. of options	WAEP*
Outstanding at the beginning of the year	11,650.00	26.00	-	-
Granted during the year	-	-	-	-
Exercised during the year	-	-	-	-
Forfeited during the year	-	-	-	-
Outstanding options as at the end of the year	11,650.00	26.00	-	-
Weighted Average Remaining Contractual Life	0.86 years		-	

*Weighted Average Exercise Price

1,09,050 options under Employee Stock Ownership Plan 2020 were granted during the year (March 31, 2025 - Nil)

The weighted average share price of shares exercised during the year is ₹ 546.01 (March 31, 2025 - ₹ 770.44)

Exercisable options as at March 31, 2026 - 3,57,700 options (March 31, 2025 - 4,96,318 options) and weighted average exercise price - ₹ 18.53 (March 31, 2025 - ₹ 25.93)

44 Additional Information

- The Group has not given any loans and advances in the nature of loan granted to promoters, directors and KMPs.
- The Group has not been declared a wilful defaulter by any bank or financial institution or other lender.
- The Group does not have any transactions with the companies struck off under section 248 of the Companies Act, 2013.
- The Group does not have any charges or satisfaction yet to be registered with Registrar of Companies beyond the statutory period.
- The Group has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017
- The Group has not advanced or loaned or invested funds (either borrowed funds or share premium or any other sources or kind of funds) to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding (whether recorded in writing or otherwise) that the Intermediary shall (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Group (Ultimate Beneficiaries) or (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- The Group has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Group shall (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or (b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

Notes to the Consolidated Financial Statements for the year ended March 31, 2026

(All amounts in ₹ lakhs, unless otherwise stated)

- (h) The Group does not have any transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).
- (i) The Group has not traded or invested in Crypto currency or Virtual Currency during the financial year.
- (j) a. The Group has maintained proper books of account as required by law and has backup of such books of account on a daily basis maintained in electronic mode in a server physically located in India except for an accounting software used for maintaining revenue records where the back-ups are maintained in a server physically located outside India.
- b. The Group has used an accounting software for maintaining its books of account for the year ended March 31, 2026 which has a feature of recording audit trail (edit log) facility except at database level for the software used to maintain revenue records. Also, in respect of one subsidiary company, the accounting software used for maintaining payroll records, did not have audit trail enabled at the database level to log any direct data changes until April 2, 2025.

Audit trail has been preserved as per the statutory requirements for record retention.

45 No significant events have occurred after the end of the reporting period.

46 Business Combinations and Asset Acquisition

A Business Combinations

- (a) On May 24, 2024, the Group acquired entire membership interest of Aureus Tech System LLC ('Aureus'), USA for total consideration of ₹ 9,574 lakhs, comprising cash consideration of ₹ 7,149 lakhs and fair value of contingent consideration of ₹ 2,425 lakhs payable over next two years. The contingent consideration is indexed to EBITDA and revenues of financial year 2024-25 and 2025-26 and the maximum contingent consideration payable is ₹ 7,098 lakhs. Aureus provides digital engineering and digital transformation services, specializing in the insurance sector. The objective of the acquisition is to enhance the Company's presence in the insurance sector and expand its delivery footprint in Hyderabad, India

The following table presents the purchase consideration, fair value of assets and liabilities acquired and goodwill recognised on the date of control.

Details of Fair value recognised on acquisition:

	Amount
Property, plant and equipment	67
Intangible assets	4,398
Right-of-use assets	48
Trade receivables	677
Cash and cash equivalent	528
Other Financial assets	452
Other assets	666
Deferred tax (net)	26
Other Provisions	(108)
Borrowings	(396)
Lease Liabilities	(52)
Other current liabilities	(1,486)
Trade payables	(28)
Total fair value of net assets acquired (A)	4,792
Fair value of purchase consideration (B)	9,574
Goodwill arising on acquisition (C)- (A-B)	4,782

Notes to the Consolidated Financial Statements for the year ended March 31, 2026

(All amounts in ₹ lakhs, unless otherwise stated)

The goodwill of ₹ 4,782 lakhs represents the skilled workforce, domain capabilities and expected synergies arising from expanding the Group's service to other customers. Goodwill is allocated to PDES segment and is not deductible for tax purpose.

Purchase consideration	Amount
Cash consideration	7,149
Contingent consideration	2,425
Total purchase consideration	9,574

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

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

Revenue and profit contribution:

The acquired business contributed revenues of ₹ 4,698 lakhs and net loss after tax of ₹ 164 lakhs to the Group post acquisition.

If the acquisition had occurred on April 1, 2024, revenue would have increased by ₹ 997 lakhs and net loss after tax by ₹ 218 lakhs respectively for the year ended March 31, 2025. These amounts have been calculated using the subsidiary's financial statements and adjusting them for:

- a) differences in the accounting policies between the Group and the subsidiary, and
- b) the additional depreciation and amortisation that would have been charged assuming the fair value adjustments to property, plant and equipment and intangible assets had applied from April 1, 2024, together with the consequential tax effects.

- (b) On May 22, 2024, the Group acquired entire equity interest of PureSoftware Technologies Private Limited ('PSTPL'), India for total consideration of ₹ 75,044 lakhs, comprising cash consideration of ₹ 64,229 lakhs, consideration payable towards cancellation of share based payments of ₹ 399 lakhs and fair value of contingent consideration of ₹ 10,415 lakhs payable over next two years. The contingent consideration is indexed to EBITDA and PSTPL's revenues for the financial year 2024-25 and 2025-26. and the maximum contingent consideration payable is ₹ 29,225 lakhs.

PSTPL provides digital engineering and digital transformation services, specializing in the financial services and healthcare sector. PSTPL also offers a Banking as a Service platform ('Arttha') to customers in the financial services industry. The objective of the acquisition is to enhance the Company's presence in the financial services and healthcare industries.

The following table presents the purchase consideration, fair value of assets and liabilities acquired and goodwill recognised on the date of control.

Notes to the Consolidated Financial Statements for the year ended March 31, 2026

(All amounts in ₹ lakhs, unless otherwise stated)

Details of Fair value recognised on acquisition:

	Amount
Property, plant and equipment	338
Intangible assets	15,718
Right-of-use assets	500
Trade receivables	8,152
Cash and cash equivalent	2,215
Other financial assets	93
Other assets	284
Provisions for employee benefits	(1,017)
Other Provisions	(2,401)
Lease liabilities	(517)
Other Financial liabilities	(270)
Current tax liabilities	(43)
Other current liabilities	(109)
Trade payables	(1,271)
Deferred tax liability (including intangible assets)	(3,368)
Total fair value of net assets acquired (A)	18,304
Fair value of purchase consideration (B)	75,044
Goodwill arising on acquisition (C)- (A-B)	56,740

The goodwill of ₹ 56,655 lakhs represents the skilled workforce, domain capabilities and expected synergies arising from expanding the Group's service to other customers. Goodwill is allocated to PDES segment and is not deductible for tax purpose.

Purchase consideration	Amount
Cash consideration	64,229
Cancellation of share based payments	399
Contingent Consideration	5,674
Payment against OCRPS	4,741
Total purchase consideration	75,044

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

Further, the Group has finalised the second-year earn-out contingent consideration based on the achievement of agreed performance conditions, and the change in fair value of ₹ 1,247 Lakhs has been recognised as a loss in the Statement of Profit and Loss and disclosed as an 'Exceptional Item'.

Revenue and profit contribution:

The acquired business contributed revenues of ₹ 35,065 lakhs and net profit after tax of ₹ 3,917 lakhs to the Group post acquisition.

Notes to the Consolidated Financial Statements for the year ended March 31, 2026

(All amounts in ₹ lakhs, unless otherwise stated)

If the acquisition had occurred on April 1, 2024, revenue would have increased by ₹ 4,857 lakhs and net profit after tax of ₹ 331 lakhs respectively for the year ended March 31, 2025. These amounts have been calculated using the subsidiary's financial statements and adjusting them for:

- differences in the accounting policies between the Group and the subsidiary and
 - the additional depreciation and amortisation that would have been charged assuming the fair value adjustments to property, plant and equipment and intangible assets had applied from April 1, 2024, together with the consequential tax effects.
- (c) On February 1, 2025, the Group entered into a share purchase agreement with GAVS Technologies Limited, BVI to acquire entire equity interest in InnovazIT Technologies LLC, Dubai; Gavs Technologies LLC, Oman and Gavs Technologies Saudi Arabia for Telecommunications and Information Technology, Saudi Arabia (these three entities together are referred as 'GAVS Middle East') for a total consideration of ₹ 1,689 lakhs, entirely comprising cash consideration. As a result of this acquisition the Group recorded goodwill of ₹ 344 lakhs and other intangible assets of ₹ 276 lakhs.

GAVS Middle East specializes in application development, maintenance, and infrastructure support services and provides the company access to certain marquee BFSI customer in the Middle East.

The following table presents the purchase consideration, fair value of assets and liabilities acquired and goodwill recognised on the date of control.

Details of Fair value recognised on acquisition:

	Amount
Property, plant and equipment	3
Intangible assets	276
Right-of-use assets	18
Trade receivables	1,157
Cash and cash equivalent	410
Other Financial assets	539
Other assets	141
Deferred tax asset	66
Borrowings	(366)
Lease Liabilities	(19)
Other financial liabilities	(102)
Other liabilities	(49)
Provisions	(436)
Trade payables	(310)
Total fair value of net assets acquired (A)	1,328
Fair value of purchase consideration (B)	1,689
Goodwill arising on acquisition (C)- (A-B)	361

The goodwill of ₹ 344 lakhs represents the skilled workforce, domain capabilities and expected synergies arising from expanding the Group's service to other BFSI customers. Goodwill is allocated to IMSS segment and is not deductible for tax purpose.

Purchase consideration	Amount
Cash consideration Paid	1,299
Cash Consideration Payable	390
Total purchase consideration	1,689

Notes to the Consolidated Financial Statements for the year ended March 31, 2026

(All amounts in ₹ lakhs, unless otherwise stated)

Revenue and profit contribution:

The acquired business contributed revenues of ₹ 739 lakhs and net loss after tax of ₹ 87 lakhs to the Group post acquisition.

If the acquisition had occurred on April 1, 2024, revenue would have been ₹ 2,10,402 lakhs and net profit after tax of ₹ 18,385 lakhs respectively for the year ended March 31, 2025. These amounts have been calculated using the subsidiary's financial statements and adjusting them for:

- differences in the accounting policies between the Group and the subsidiary, and
- the additional depreciation and amortisation that would have been charged assuming the fair value adjustments to property, plant and equipment and intangible assets had applied from April 1, 2024, together with the consequential tax effects."

B Asset Acquisition

On April 18, 2024, the Group acquired entire equity interest in Happiest Minds Edutech Private Limited (erstwhile Macmillan Learning India Private Limited) for a total cash consideration of ₹ 445 lakhs. Macmillan provides development, testing, enhancement and maintenance services solely to Intellus Learning LLC. The primary assets acquired were cash and cash equivalents of ₹ 468 lakhs, trade receivables of ₹ 86 lakhs and short term liabilities of ₹ 109 lakhs. Accordingly, the Group has accounted for this purchase as an asset acquisition.

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

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

for and on behalf of the Board of Directors:

Happiest Minds Technologies Limited

CIN : L72900KA2011PLC057931

Ashok Soota
Chairman & Chief Mentor
DIN : 00145962
Place: Bengaluru, India
Date: May 28, 2026.

Joseph Vinod Anantharaju
Co-Chairman & CEO
DIN : 08859640
Place: Seattle, USA
Date: May 28, 2026

Venkatraman Narayanan
Managing Director
DIN : 01856347
Place: Bengaluru, India
Date: May 28, 2026.

Anand Balakrishnan
Chief Financial Officer

Place: Bengaluru, India
Date: May 28, 2026

Praveen Darshankar
Company Secretary
FCS No.: F6706
Place: Bengaluru, India
Date: May 28, 2026

Corporate Information

BOARD OF DIRECTORS

Ashok Soota
Chairman & Chief Mentor

Joseph Anantharaju
Co-Chairman & CEO

Venkatraman Narayanan
Managing Director

Anita Ramachandran
Independent Director

Rajendra Kumar Srivastava
Lead Independent Director

Shuba Rao Mayya
Independent Director

Mittu Sridhara
Independent Director

COMMITTEES OF THE BOARD

AUDIT

Shuba Rao Mayya – Chairperson
Anita Ramachandran – Member
Rajendra Kumar Srivastava – Member
Venkatraman Narayanan – Member

NOMINATION, REMUNERATION & BOARD GOVERNANCE

Anita Ramachandran – Chairperson
Ashok Soota – Member
Mittu Sridhara – Member
Rajendra Kumar Srivastava – Member
Shuba Rao Mayya – Member

CORPORATE SOCIAL RESPONSIBILITY

Anita Ramachandran – Chairperson
Rajendra Kumar Srivastava – Member
Venkatraman Narayanan – Member

ADMINISTRATIVE AND STAKEHOLDERS RELATIONSHIP

Shuba Rao Mayya – Chairperson
Anita Ramachandran – Member
Joseph Anantharaju – Member
Venkatraman Narayanan – Member

RISK MANAGEMENT

Rajendra Kumar Srivastava – Chairperson
Anita Ramachandran – Member
Mittu Sridhara – Member
Shuba Rao Mayya – Member
Joseph Anantharaju – Member
Venkatraman Narayanan – Member

STRATEGIC INITIATIVES

Mittu Sridhara – Chairperson
Rajendra Kumar Srivastava – Co-chairperson
Ashok Soota – Member
Joseph Anantharaju – Member
Venkatraman Narayanan – Member

COUNSEL/LEGAL CONSULTANTS

Khaitan & Co
Uday Shankar Associates
Wilson Elser Moskowitz
Edelman & Dicker LLP
Collyer Bristow LLP
Habibu & Park
Eastern Bridge
Kingston Smith LLP
Goel & Anderson, LLC

STATUTORY AUDITORS

Deloitte Haskins & Sells LLP

CONTACT DETAILS

For queries relating to shares:
einward.ris@kfintech.com (RTA)
Toll-Free Number: 1800 3094001
Investors@happiestminds.com
Phone: +91 80 6196 0300
For queries on Results/
Management Meetings
IR@happiestminds.com
Phone: +91 80 6196 0300

WEBSITE

<https://www.happiestminds.com/>

BANKERS

Kotak Mahindra Bank Ltd
RBL Bank Ltd
Federal Bank Ltd
ICICI Bank Ltd
HDFC Bank Ltd
Axis Bank Limited
State Bank of India
Standard Chartered Bank
Bank of America, NA
Citibank NA
JP Morgan Chase Bank NA

DEBENTURE TRUSTEE

Vistra ITCL (India) Limited
IL&FS Financial Centre,
Plot No. C-22, G Block,
Bandra Kurla Complex,
Bandra (East), Mumbai – 400051

SUBSIDIARIES

1. Happiest Minds Inc.

A Texas state registered entity.
Communication Address: 101 Metro
Drive, Suite 360 San Jose, CA -
95110-1381 Phone: +1 408 520 7611
Happiest Minds Inc.
6312 S. Fiddlers Green Circle,
Suite 300E, Greenwood
Village, Colorado 80111

2. PureSoftware Technologies Private Limited

Pune
PureSoftware Technologies Private
Limited 6th Floor, Pentagon P-2,
Magarpatta City, Hadapsar, Pune,
Maharashtra – 411013

Delhi
PureSoftware Technologies Private
Limited Suite 523, DLF Tower B,
Plot No. 11, Jasola New Delhi, South
Delhi, DL-110025

Gurugram
PureSoftware Technologies
Private Limited 8th Floor, Magnum
Tower, Sector 58, Gurugram,
Haryana – 122011

Noida
PureSoftware Technologies Private
Limited SMILES 10, Tower B, Green
Boulevard Plot B9-A, 62, Sector Rd, B
Block, Noida, Uttar Pradesh – 201301

Bengaluru
Smiles 1, SJR Equinox, Sy.No.47/8,
Doddathogur Village, Begur Hobli,
Electronics City Phase 1, Hosur Road,
Bengaluru – 560 100

PureSoftware Corp.
815, Brazos St, STE 500,
Austin, TX – 78701

PureSoftware Corp.
600 Third Avenue, Floor 2 New
York, USA – 10016

PureSoftware Corp.
INCORPORATING SERVICES, LTD.
318 N CARSON ST #208, Carson
City, NV 89701 US

PureSoftware Private Limited
Sidings Court, Lakeside, Doncaster,
DN4 5NU, United Kingdom

PureSoftware Africa Limited
P.O. Box 720, Village Market,
Muthithi, Behind TRV Office Plaza,
Muthithi Road, Westlands, Nairobi,
Kenya- 720 -00621

PureSoftware Technology S DE RL DE CV,

- Periferico Sur 4293 Piso 3
300, Jardines en la Montaña,
Ciudad de México
- Durango 245, Interior 203, Colonia
Roma Norte, Alcaldía Cuauhtémoc,
Ciudad, De Mexico, Cp 06700

PureSoftware Romania S.R.L.

Bucharest, District 1, 44-46
Lainici street, room1, 2nd Floor,
Apartment No. 5, Romania

PureSoftware Pte Ltd.

Level 9, Republic Plaza, 9 Raffles Place,
Singapore-048619

PureSoftware SDN BHD,

Level 8, Vertical Corporate Tower B,
Avenue 10, The Vertical, No. 8, Jalan
Kerinch, Bangsar South City 59200
Kuala Lumpur Malaysia
Suite 1705A, Level 17 Menara
Landmark 12 Jalan Ngee Heng
80888 libd Johor.

PureSoftware HK Limited,

20/F, Silver Fortune Plaza, 1 Wellington
Street, Central, Hong Kong-999077

3. AureusTech Systems

Private Limited

Bengaluru

SMILES 1, SJR Equinox, Sy.No.47/8,
Doddathogur Village, Begur Hobli,
Electronics City Phase 1, Hosur Road,
Bengaluru – 560 100

Hyderabad

- a) AureusTech Systems
Private Limited, Survey No.
322(P), Puppalaguda Village,
Behind Continental Hospital,
Financial District, MySpace Weave,
Hyderabad, Telangana – 500089
- b) AureusTech Systems Private
Limited, Level 4 , Kapil Towers,
Financial District, Gachibowli,
Hyderabad, Hyderabad,
Telangana, India, 500032

Chennai

AureusTech Systems Private Limited,
Smiles 12, IndiQube Alpine, next to
Ekkatuthangal Metro Station, Labour
Colony, SIDCO Industrial Estate,
Ekkatuthangal, Guindy, Chennai, Tamil
Nadu, 2nd Floor

4. InnovazIT Technologies LLC

3rd Floor, Suite # 307, Dubai Outsource
City, PO Box 121059

5. GAVS Technologies LLC

Office No. 11, 5th Floor, Building No.
4, Knowledge Oasis Muscat, Post
Box: 110, Postal Code: 124, Rusayl,
Sultanate of Oman

**6. GAVS Technologies Saudi Arabia
for Telecommunications and
Information Technology**

Office No. 109, 7354-Aban Centre, King
Abdul, Aziz Road, Al Ghadir, PO Box
:271402, Riyadh 1331-4672, Kingdom
of Saudi Arabia

7. Happiest Minds Technologies

Canada Limited

Crowther Ln, Suite 140,
Fredericton, NB E3C 0J1

OFFICES

INDIA

Bengaluru - 1

Happiest Minds Technologies Limited
SMILES 1, SJR Equinox, Sy. No. 47/8,
Doddathogur Village, Begur Hobli
Electronics City Phase 1 Hosur Road,
Bengaluru - 560 100
Phone: +91 80 3965 3000

Bengaluru - 2

Happiest Minds Technologies Limited
SMILES 2, 3 & 4 Registered Office:
#53/1-4, Hosur Main Road Madivala,
Bengaluru - 560068, Karnataka,
India Phone: +91 80 61960300,
+91 80 61960400
Fax: +91 80 6196 0700

Noida, NCR

Happiest Minds Technologies Limited
SMILES 5, 2nd Floor, A-42/6, Pinnacle Tower
Sector-62, Noida, UP - 201301
Phone: +91-120-4740700

Pune

Happiest Minds Technologies Limited
SMILES 6, 4th & 5 th Floor, Bajaj Brand
View, Wakdewadi, Mumbai-Pune Road,
Shivaji Nagar, Pune - 411005
Phone: +91 20 6666 8100

Bhubaneswar

Happiest Minds Technologies Limited
SMILES 7, 5th Floor, Fortune Towers,
Nandankanan Rd, Chandrasekharpur,
Bhubaneswar, Odisha – 751013

Madurai

Happiest Minds Technologies Limited ,
SMILES 8, 25/4, Palaniappan Chandrika
Plaza, New Natham Road, Reserve Line,
Madurai, Tamil Nadu – 625014

Coimbatore

Happiest Minds Technologies Limited ,
SMILES 9, Vetri Gardens, 348, Sri Lakshmi
Nagar II, Maheswari Nagar 4th Street,
Thaneer Panthal, Peelamedu Post,
Coimbatore, Tamil Nadu – 641004

Chennai

Happiest Minds Technologies Limited ,
Smiles 12, IndiQube Excellence, B16 and
B17, Thiru-Vi-Ka, Industrial Estate, Guindy,
Chennai- 600032

UNITED STATES

California

Happiest Minds Technologies Limited
101 Metro Drive, STE 360 San Jose, CA -
95110-1381 Phone: +1 408 520 7611

New Jersey

Happiest Minds Technologies Limited
30 Knightsbridge Road Suite 525
Piscataway New Jersey – 08854

Seattle

Happiest Minds Technologies Limited
8441 154th Avenue NE Building H, Suite
206, Redmond, Washington 98052

Texas

11514 Cherry Heart CT Austin, TX – 78750

UNITED KINGDOM

Berkshire

Happiest Minds Technologies Limited 450
Brook Drive Green Park Reading RG2 6UU
Phone: +44 118 3340066
Fax: +44 118 3340067

London

No. 1 Royal Exchange London, EC3V 3DG

CANADA

Toronto

Happiest Minds Technologies
Limited 50 Crowther Ln., suite 140,
Fredericton, NB E3C 0J1

AUSTRALIA

Sydney

Happiest Minds Technologies Limited
Level 20, Tower 2, Darling Park 201,
Sussex Street Sydney, NSW 2000
Phone: +61-2-9006 1020

Melbourne

Happiest Minds Technologies Limited,
Level 31 & 50, 120 Collins Street
Melbourne, Victoria 3000, Australia

UAE

Dubai

Happiest Minds Technologies Limited
Dubai Digital Park, DSO, A4 - 313
Phone: +9714 5472539

NETHERLANDS

Amsterdam

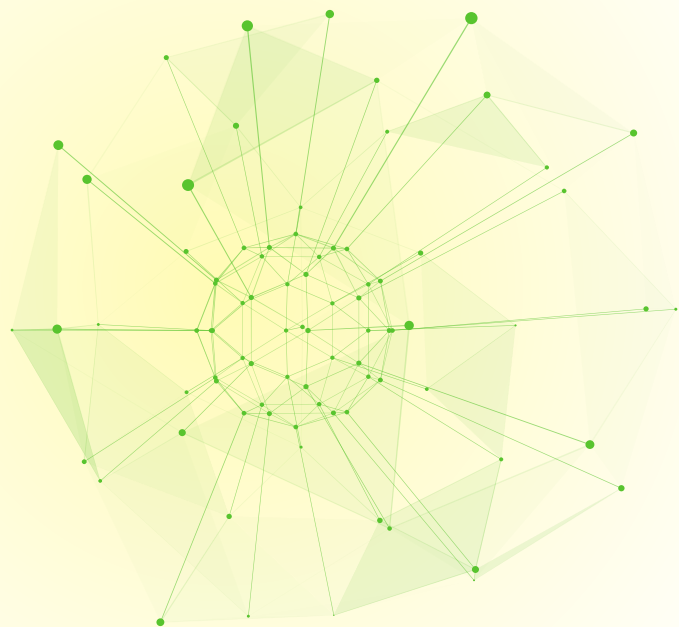
Happiest Minds Technologies Limited
Zuidplein 36 Amsterdam, 1077 XV
Phone: +31 020 57 888 14

GERMANY

Cologne

Happiest Minds Technologies Limited
Neumarkt Galerie, Richmodstrasse
6, 50667 Cologne

www.happiestminds.com



HAPPIEST MINDS

NOTICE OF AGM 2026



AI FIRST.

AGILE ALWAYS.

**Transforming How Enterprises
Innovate at Scale**



HAPPIEST MINDS TECHNOLOGIES LIMITED

(CIN No. L72900KA2011PLC057931)

Registered Office: 53/1-4, Hosur Main Road, Madivala,

Bengaluru-560068, Karnataka, India

P: +91 80 6196 0300, F: +91 80 6196 0700;

Email: investors@happiestminds.com; Website: www.happiestminds.com

NOTICE OF THE 15TH ANNUAL GENERAL MEETING

Notice is hereby given that the Fifteenth Annual General Meeting (“AGM”) of the members of Happiest Minds Technologies Limited will be held on Tuesday, the 28th day of July, 2026, at 4.00 pm (IST) through Video Conference / Other Audio Visual Means (“VC”) without the physical presence of the members at a common venue, to transact the following business:

ORDINARY BUSINESS

- 1. To receive, consider and adopt the Audited Standalone Financial Statements of the Company for the financial year ended March 31, 2026, together with the Reports of Board of Directors and the Auditors thereon.**

To consider and if thought fit, to pass the following resolution as an Ordinary Resolution:

“RESOLVED THAT the audited standalone Financial Statements of the Company for the financial year ended March 31, 2026, together with the Reports of the Board of Directors and Auditors thereon, as circulated to the members, be and are hereby received, approved and adopted.”

- 2. To receive, consider and adopt the Audited Consolidated Financial Statements of the Company for the financial year ended March 31, 2026, together with the Report of the Auditors thereon.**

To consider and if thought fit, to pass the following resolution as an Ordinary Resolution:

“RESOLVED THAT the audited consolidated Financial Statements of the Company for the financial year ended March 31, 2026, together with the Report of the Auditors thereon, as circulated to the members, be and are hereby received, approved and adopted.”

- 3. To declare final dividend on equity shares for the financial year ended March 31, 2026.**

To consider and if thought fit, to pass the following resolution as an Ordinary Resolution:

“RESOLVED THAT a final dividend @ ₹3.65/- per equity share (@182.5% on par value of ₹2/- each), for the financial year ended March 31, 2026 be paid on equity shares of the Company to those members whose names appear on the Register of Members of the Company as on July 17, 2026 and in respect of shares held in electronic form, to the beneficial owners of the shares as on July 17, 2026 as per details furnished by the Depositories for this purpose.”

4. To appoint a Director in place of Mr. Joseph Vinod Kumar Anantharaju (DIN: 08859640) who retires by rotation and, being eligible, offers himself for re-appointment

To consider and if thought fit, to pass the following resolution as an Ordinary Resolution:

“RESOLVED THAT Mr. Joseph Vinod Kumar Anantharaju (DIN: 08859640) who retires by rotation as Director at this Meeting pursuant to the provisions of Section 152 of the Companies Act, 2013 and being eligible has offered himself for re-appointment, be and is hereby re-appointed as a Director of the Company, liable to retire by rotation.”

5. To re-appoint Auditors to hold office from the conclusion of the 15th Annual General Meeting until the conclusion of the 20th Annual General Meeting, and to fix their remuneration

“RESOLVED THAT pursuant to Sections 139 and 142 of the Companies Act, 2013 and the Rules made thereunder (including any amendments, modifications or re-enactments thereof for the time being in force) and pursuant to the recommendation of the Audit Committee/Board of Directors of the Company, M/s. Deloitte Haskins & Sells, Chartered Accountants, Bengaluru (ICAI registration number 008072S) be and are hereby reappointed as the Auditors of the Company for the second consecutive term of five years, to hold the office from the conclusion of this 15th Annual General Meeting until the conclusion of the 20th Annual General Meeting, and that the Board of Directors (or Committee thereof) be and is hereby authorized to fix such remuneration as may be determined in consultation with the said Auditors.

RESOLVED FURTHER THAT approval of the Company be accorded to the Board of Directors of the Company (including any Committee thereof) to do all such acts, deeds, matters and to take all such steps as may be required in this connection to give effect to this resolution and to settle any questions, difficulties or doubts that may arise in this regard.”

Registered Office:

#53/1-4, Hosur Main Road,
Madivala, Bengaluru-560068,
Karnataka, India
Date : June 30, 2026
Place : Bengaluru

By Order of the Board
For **HAPPIEST MINDS TECHNOLOGIES LIMITED**

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

Notes:

1. AGM of the Company is being conducted through VC in compliance with General Circular No. 03/2025 dated September 22, 2025 read with other relevant Circulars, issued by Ministry of Corporate Affairs and Circular No. SEBI/HO/49/14/49(7)2025-CFD-PoD2/I/3762/2026 dated January 30, 2026 issued by the Securities and Exchange Board of India read with the other relevant circulars issued earlier on the subject (collectively referred to as “**Circulars**”), which details the procedure and manner of holding AGM through VC and provide certain relaxations from compliance with Companies Act and Listing obligations.
2. The proceedings of the AGM shall be deemed to be conducted at the Registered Office of the Company situated at #53/1-4, Hosur Main Road, Madivala, Bengaluru - 560068, Karnataka, India, which shall be the deemed venue of the AGM. Since the AGM will be held through VC, the Route Map is not annexed to this Notice.
3. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote on a poll instead of himself/herself and the proxy so appointed need not be a member of the Company. Since this AGM is being held through VC, physical attendance of members has been dispensed with. Accordingly, the facility for appointments of proxies by the members will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice.
4. Explanatory statement pursuant to SEBI (LODR) Regulations, 2015, in respect of re-appointment of the Statutory Auditors of the Company, as proposed under agenda item no. 5 of the notice is annexed.
5. Details of the Director seeking re-appointment at the 15th AGM is provided in Annexure A of this Notice. The Company has received the requisite consents/declarations for the appointment/re-appointment under the Companies Act, 2013 and the rules made thereunder.
6. M/s. KFin Technologies Limited, Registrar & Transfer Agent of the Company (“**RTA**”), shall be providing the facility for voting and attending the AGM through VC. Members may note that the VC facility provided by RTA allows participation of upto 1,000 members on a first-come-first-served basis. The members (holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination, Remuneration and Board Governance Committee and Stakeholders Relationship Committee, Auditors, Scrutinizers, etc. can attend the AGM without any restriction on account of first-come-first-served principle. Members can login and join 15 (fifteen) minutes prior to the scheduled time of meeting and the window for joining shall be kept open till the expiry of 15 (fifteen) minutes after the scheduled time. The detailed instructions for remote e-voting, participation in the AGM through VC and for e-voting during the AGM are provided in Annexure B attached to this Notice.
7. Institutional / Corporate members (i.e. other than individuals / HUF, NRI, etc.) are required to send a scanned copy (PDF/JPG Format) of its Board or governing body Resolution/Authorization etc., authorizing its representative to attend the AGM on its behalf and to vote electronically either during the remote e-voting period or during the AGM. The said Resolution/Authorization should be sent electronically through their registered email address to the Scrutinizer at sree@sreedharancs.com with a copy marked to investors@happiestminds.com.
8. In case of Joint Holders attending the AGM, only such Joint Holder whose name appears first in the order of names will be entitled to vote.

9. The Company has appointed Mr. V Sreedharan, Senior Partner (FCS 2347; CP 833) and in his absence Mr. Pradeep B Kulkarni, Partner (FCS 7260; CP 7835) of M/s V Sreedharan & Associates, Company Secretaries, Bengaluru, as Scrutinizer to scrutinize the e-voting process in fair and transparent manner.
10. A member logging-in to the VC facility using the remote e-voting credentials shall be considered for the record of attendance of such member at the AGM and such member attending the AGM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.
11. The Register of Members and Transfer Book of the Company will be closed from Saturday, July 18, 2026 to Tuesday, July 28, 2026 (both days inclusive) for the purpose of AGM, annual closing and for determining entitlement of members for the final dividend for FY'26. July 22, 2026 would be the cut-off date for the purpose of reckoning the members/beneficial owners entitled to e-vote and attend the AGM through VC. The voting rights of members shall be in proportion to their share in the paid-up equity share capital of the Company as on the said cut-off date.
12. The Board of Directors has recommended a final dividend of ₹3.65 /- per equity share of ₹2/- each for the financial year ended March 31, 2026, that is proposed to be paid on and after August 4, 2026, subject to the approval of the members at the ensuing AGM. Dividend will be paid as per the mandate registered with the Company or with their respective Depository Participants through electronic clearing service.
13. SEBI vide its Master Circular No. SEBI/HO/MIRSD/PoD-1/P/CIR/2024/37 dated May 07, 2024 has made it mandatory for members holding shares in physical form to furnish PAN, KYC (i.e., postal address with pin code, email address, mobile number, bank account details, specimen signature, Demat account details) and their nominee details to the RTA of the Company. Dividends to such members shall be paid only through electronic mode subject to the folios being KYC-compliant and having valid bank account details registered with the RTA. Further details and relevant forms to update the above-mentioned are available on the Company's website at <https://www.happiestminds.com/investors/disclosure/Information-to-be-provided-to-RTA-by-shareholders-holding-shares-in-physical-form.pdf>. Members holding shares in Demat may contact their Depository Participant to update their email address, nominee and bank account details.
14. Pursuant to the Income Tax Act, 2025, dividend income is taxable in the hands of the members and the Company is required to deduct tax at source ("TDS") from dividend paid to the members at prescribed rates in the Income Tax Act, 2025. In general, no tax will be deducted on payment of dividend to the category of members who are resident individuals (with valid PAN details updated in their folio/client ID records) and the total dividend amount payable to them does not exceed ₹10,000/-. Members not falling in the said category can go through the detailed note with regard to the applicability of tax rates for various other categories of members and the documents that need to be submitted for nil or lower tax rate, which has been provided on the Company's website at <https://www.happiestminds.com/investors/disclosures/>.
15. Members are requested to note that dividends, if not encashed for a consecutive period of 7 years from the date of transfer to the Unpaid Dividend Account of the Company, are liable to be transferred to the Investor Education and Protection Fund ("IEPF"). Further, the shares in respect of such unclaimed dividends are also liable to be transferred to the Demat account of the IEPF Authority. In view of this, members/claimants are requested to claim their dividends from the Company within the stipulated timeline.
16. In compliance with the circulars, an electronic copy of the Notice of the AGM along with the Integrated Annual Report is being sent only by email to those members whose e-mail addresses are registered with

the Company/ Depositories, unless any member has requested a physical copy of the same. The Notice calling the AGM and the Integrated Annual Report has been uploaded on the website of the Company at <https://www.happiestminds.com/investors/agm-and-annual-report/>. The Notice is also accessible from the websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively. The same is also available on the website of RTA at <https://evoting.kfintech.com/>. Additionally, in accordance with Regulation 36(1)(b) of the SEBI (LODR) Regulations, 2015, the Company is also sending a letter to those members whose e-mail addresses are not registered with Company / RTA/ Depository Participants, providing the weblink of Company's website from where the Annual Report can be accessed.

17. All the members whose names are recorded in the Register of Members or in the Register of Beneficial Owners maintained by the depositories as on Friday, June 26, 2026 have been considered for the purpose of sending the AGM Notice and the Integrated Annual Report. However, instructions have been given in Annexure B to enable those persons who become members subsequently to receive the AGM notice, Integrated Annual Report and login credentials.
18. SEBI vide its notification dated January 25, 2022 has mandated that all requests for transfer of securities including transmission and transposition requests shall be processed only in dematerialized form. In view of the above, members holding shares in physical form are advised to dematerialize the shares with their Depository Participant.
19. The statutory documents (i.e., The Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Companies Act, 2013, the Register of Contracts or Arrangements in which the Directors are interested maintained under Section 189 of the Companies Act, 2013 and the Certificate from the Secretarial Auditors of the Company under the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, will be available electronically for inspection by the members during the AGM. Further, all the documents referred to in the Notice will also be available for electronic inspection by the members from the date of circulation of this Notice up to the date of AGM, i.e. July 28, 2026. Members seeking to inspect such documents can send an email to investors@happiestminds.com.
20. Members seeking any information with regard to accounts or operations are required to write to the Company at least seven days prior to the date of meeting, so as to enable the Management to keep the information ready.

EXPLANATORY STATEMENT PURSUANT TO SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015**Item No. 5**

This Explanatory Statement is in terms of Regulation 36(5) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Members of the Company at the 10th AGM held on July 7, 2021 had approved the appointment of M/s. Deloitte Haskins & Sells, Chartered Accountants, as the Auditors of the Company for a period of five years from the conclusion of the said AGM till the conclusion of the 15th AGM. They will conclude their first term as Statutory Auditors of the Company on conclusion of this AGM.

The Board of Directors of the Company at their meeting held on May 28, 2026, and based on the recommendation of the Audit Committee, recommended for the approval of the members the re-appointment of M/s. Deloitte Haskins & Sells, Chartered Accountants ("DHS"), as the Auditors of the Company, as per the existing terms of appointment, for a period of five years from the conclusion of this AGM till the conclusion of the 20th AGM. DHS has proposed to charge audit fees of ₹130 Lakhs for conducting the audit for financial year 2026-27.

The Audit Committee considered various parameters like capability to serve a diverse and complex business landscape as that of the Company, audit experience in the Company's operating segments, market standing of the firm, clientele served, technical knowledge etc., and found DHS to be best suited to handle the scale, diversity and complexity associated with the audit of the financial statements of the Company. DHS is registered with the Institute of Chartered Accountants of India.

DHS is one of the leading audit firms, with deep technology audit experience in India, as well as globally, having served some of the largest and most reputed companies, including those in the technology sector. DHS' Audit team has over 3,400 professionals in India and national presence with offices in 18 cities. The Bangalore office of the Firm is located at 19th Floor, 46 - Prestige Trade Tower, Palace Road, High Grounds, Bengaluru, Karnataka – 560001, India.

DHS has given their consent to act as the Auditors of the Company and have confirmed that the said re-appointment, if made, will be in accordance with the conditions prescribed under Sections 139 and 141 of the Act.

None of the Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 5 of the Notice. The Board of Directors recommend passing of resolution in the manner proposed in Item No. 5, to be passed by way of an Ordinary Resolution.

Registered Office:

#53/1-4, Hosur Main Road,
Madivala, Bengaluru-560068,
Karnataka, India

Date : June 30, 2026

Place : Bengaluru

By Order of the Board
For **HAPPIEST MINDS TECHNOLOGIES LIMITED**

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

Profile of Director being appointed at the AGM

(In pursuance to Reg. 36(3) of the SEBI (LODR) Regulations and Secretarial Standard - 2)

Name of the Director	Mr. Joseph Vinod Kumar Anantharaju 
DIN No.	08859640
Date of birth (Age)	March 01, 1971 (55 years)
Date of appointment	He was first appointed on the Board on November 04, 2020, as Executive Vice Chairman
Qualification	BE & MBA
Experience & expertise in specific functional areas	Over 30 years of experience in the areas of strategy, sales & marketing, operations and management. Prior to joining the Company in 2011, he was associated with Mindtree Limited
Directorships held in other Companies in India	Nil
Chairmanship / Membership of Committees held in other Companies in India	Nil
Listed Entities from which they have resigned as Director in past 3 years	None
Relationship with other Directors and KMP	Mr. Joseph Vinod Kumar Anantharaju is not related to any Director or Key Managerial Personnel (KMP) of the Company
No. of Shares held in the Company (% to total capital)	3,75,000 (0.24%)
Terms and conditions of appointment	Not Applicable
Details of Remuneration sought to be paid	Not Applicable
Remuneration last drawn, if applicable	Not Applicable
Date of first appointment on the Board	November 04, 2020
No. of Board Meetings attended during the year 2025-26	Eight (8)
Justification for appointment as Independent Director	Not Applicable

Note: The Directors have furnished consent/declarations for their appointment as required under the Companies Act and Rules made thereunder. For other details of the above Directors, please refer to the Report on Corporate Governance, which is a part of the Annual Report 2026.

Detailed instructions for remote e-voting, the process to receive notice and login credentials by the persons who become members after the cut-off date, participation in the AGM through VC, and for e-voting during the AGM

- Any person who becomes a member of the Company after sending this Notice of AGM but on or before the cut-off date viz. Wednesday, July 22, 2026, can access the notice of AGM along with the Integrated Annual report for the financial year 2025-26 on the website of the Company <https://www.happiestminds.com/investors/agm-and-annual-report/> website of stock exchanges i.e. BSE Limited <https://www.bseindia.com/> and National Stock exchange of India Limited <https://www.nseindia.com/> and on the website of RTA at <https://evoting.kfintech.com/>.

2. INSTRUCTION FOR REMOTE E-VOTING :

Pursuant to the provisions of Section 108 and other applicable provisions, if any, of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended from time to time, and Regulation 44 of the Listing Regulations and applicable Circulars, the Company is offering the facility of remote e-voting to its members. The facility of casting votes by a member using a remote e-voting system before the AGM as well as during the AGM will be provided by Company's RTA – M/s KFin Technologies Limited.

(a) Login method for e-Voting: Applicable only for Individual shareholders holding securities in Demat

As per the SEBI Master circular dated January 30, 2026 on e-Voting facility provided by Listed Companies, individual shareholders holding securities in Demat mode are allowed to vote through their demat account maintained with their respective Depositories and Depository Participants as detailed below. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Option 1 – Login through Depositories

NSDL	CDSL
1. For OTP based login: (i) Go to URL: https://eservices.nsdl.com/SecureWeb/evoting/evotinglogin.jsp . (ii) Enter 8-digit DP ID, 8-digit client ID, PAN No, verification code and generate OTP for login. (iii) Enter the OTP received on registered mobile number/email id and click on log in. (iv) After successful authentication, member will be redirected to NSDL Depository site wherein member can see e-voting page. (v) Click on the Company name or e-voting service provider name and member will be redirected to e-voting service provider website for casting vote during the remote e-voting period or joining virtual meeting & voting during the meeting.	1. Members who have already registered and opted for Easi / Easiest to follow below steps: (i) Go to URL: https://web.cdslindia.com/myeasitoken/home/login ; or URL: www.cdslindia.com and then go to Login and select New System Myeasi (ii) Login with user id and password. (iii) The option will be made available to reach e-Voting page without any further authentication. (iv) Click on company name or e-Voting service provider name to cast your vote during the remote e-Voting period.

2. Members who have already registered and opted for IDeAS facility to follow below steps: (i) Go to URL: https://eservices.nsdl.com (ii) Click on the “Beneficial Owner” icon under “Login” which is available under ‘IDeAS’ section. Thereafter enter the existing User ID and Password. (iii) Post successful authentication, Members will be able to see e-voting services under ‘Value Added Services’. Click on “Access to e-Voting” under e-voting services, after which the e-voting page will be displayed. (iv) Click on the company name or e-Voting service provider and you will be re-directed to e-Voting service provider website for casting the vote during the remote e-Voting period. 3. User not registered for IDeAS e-Services (i) To register click on link: https://eservices.nsdl.com (Select “Register Online for IDeAS”) or https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp or https://www.evoting.nsdl.com. (ii) Once the home page of e-voting system is launched, click on the icon “Login” which is available under ‘Shareholder / Member’ section. A new screen will open. (iii) Members will have to enter their User ID (i.e. the sixteen digit demat account number held with NSDL), password / OTP and a verification code as shown on the screen. (iv) After successful authentication, Members will be redirected to NSDL Depository site wherein they can see e-voting page. (v) Click on company name or e-Voting service provider after which you will be re-directed to e-Voting service provider website for casting the vote during the remote e-Voting period. 4. Members can also download NSDL Mobile App “NSDL Speede” facility by scanning the QR code mentioned below for a seamless voting experience.	2. User not registered for Easi/Easiest (i) Go to URL: https://web.cdslindia.com/myeasitoken/home/login ; or URL: www.cdslindia.com and then go to Login and select New System Myeasi (ii) Proceed to complete registration using the DP ID, Client ID, etc. (iii) After successful registration, please follow the steps to cast your vote. 3. First-time users can visit the e-Voting website directly and follow the process below: (i) Go to URL: www.cdslindia.com (ii) Click on the icon “E-Voting” (iii) Provide demat Account Number and PAN No. (iv) System will authenticate user by sending OTP on registered Mobile & Email as recorded in the demat Account. (v) After successful authentication, the user will be provided links for the respective ESP where the e- Voting is in progress. (vi) Click on the company name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period.
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NSDL Mobile App is available on  App Store  Google Play  	
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Option 2 - Login through Depository Participants

You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. Once login, you will be able to see e-Voting option. Click on e-Voting option and you will be redirected to NSDL/CDSL Depository site after successful authentication. Click on the company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period.

Important Note:

Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at the above-mentioned website. For any technical issues, members may contact as below:

NSDL	CDSL
NSDL helpdesk by email to: evoting@nsdl.co.in or call at : 022-4886 7000 or 022-2499 7000	CDSL helpdesk by email to: helpdesk.evoting@cdslindia.com or call at toll free no. 1800 22 55 33 022

(b) Login method for e-Voting : Applicable only for members holding shares in physical form and for Non-Individual members (holding shares either in physical or demat):

Please access the RTA's e-voting platform at the URL: <https://evoting.kfintech.com/>

Members whose email IDs are registered with the Company/ Depository Participants (s), will receive an email from RTA which will include details of E-Voting Event Number (EVEN) i.e 9847 USER ID and password. Members are requested to use these credentials at the Remote Voting Login at the above-mentioned URL.

In case of physical folio, User ID will be EVEN (E-Voting Event Number) , followed by folio number. In case of Demat account, User ID will be the member's DP ID and Client ID. After entering the credentials member can click on "LOGIN". Member can now reach password change menu where he is required to mandatorily change the password. After changing the password, member need to login again with the new credentials.

Alternatively, if the member is already registered with RTA's e-voting platform, then he can use their existing User ID and password for casting the vote through remote e-voting. If they have forgotten the password, then they may click "forgot password" and enter Folio No. or DP ID Client ID and PAN to generate a password.

Members can also use SMS service to get the credentials if their mobile number is registered against Folio No. / DP ID Client ID, by sending SMS: MYEPWD EVEN No+Folio No. (in case of physical shareholders) or MYEPWD DP ID Client ID (in case of shares held in DEMAT form) to 9212993399.

Example for NSDL	MYEPWD <SPACE> IN12345612345678
Example for CDSL	MYEPWD <SPACE> 1402345612345678
Example for Physical	MYEPWD <SPACE> 6614HMT12345678

On successful login, the system will prompt member to select the “EVEN” and click on “Submit”

On the voting page, member will have to enter the number of shares (which represents the number of votes) as on the Cut-off Date under “FOR/AGAINST” or alternatively, they may partially enter any number in “FOR” and partially “AGAINST” however, the total number in “FOR/AGAINST” taken together shall not exceed member’s total shareholding as mentioned herein above. Member may choose the option “ABSTAIN”. If the member does not indicate either “FOR” or “AGAINST” it will be treated as “ABSTAIN” and the shares held will not be counted under either head. Members holding multiple folios/demat accounts shall choose the voting process separately for each folio/demat accounts. If the member does not desire to cast the vote, it will be treated as “ABSTAINED”

Member may cast the vote by selecting an appropriate option and click on “Submit”. A confirmation box will be displayed. Click “OK” to confirm else “CANCEL” to modify. Once member has voted on the resolution, he will not be allowed to modify the vote. During the voting period, members can login any number of times till they have voted on the resolution.

3. OTHER GENERAL INSTRUCTION FOR REMOTE E-VOTING :

- a) The remote e-voting facility will be available during the following period:

Start date and time	Saturday July 25, 2026 at 09.00 a.m. IST
End date and time	Monday July 27, 2026 at 05.00 p.m. IST

During this period, members holding shares either in physical form or in dematerialized form, as on July 22, 2026 i.e. cut-off date, may cast their vote electronically.

- b) The remote e-voting will not be allowed beyond the aforesaid date and time and the e-voting module shall be disabled/blocked by RTA upon expiry of the aforesaid period. Once the vote on a resolution is cast by the member(s), they shall not be allowed to change it subsequently or cast the vote again.
- c) In case of any query pertaining to e-voting, please refer ‘Help’ or ‘FAQs’ and ‘User Manual for shareholders’ available at the ‘Download’ section on the website (bottom corner) of our RTA at <https://evoting.kfintech.com/>. Member may also call RTA at toll free number 1-800-3094-001 or send an e-mail request to inward.ris@kfintech.com for all e-voting related matters.

4. INSTRUCTIONS FOR E-VOTING AT E-AGM:

- a) Only those members who will be present in the e-AGM through video conference facility and have not cast their vote earlier through remote e-voting are eligible to vote through e-voting during the e-AGM.
- b) Members who have cast their votes by remote e-voting prior to the meeting may attend the meeting but shall not be entitled to cast their vote again.
- c) Upon the declaration by the Chairman about the commencement of e-voting at e-AGM, Members shall click on the "Vote" sign on the left-hand bottom corner of their video screen for voting at the e-AGM, which will take them to the 'Instapoll' page.
- d) Members to click on the "Instapoll" icon to reach the resolution page and follow the instructions to vote on the resolutions.
- e) The facility of Instapoll will be available during the time not exceeding 15 minutes from the commencement of e-voting as declared by the Chairman at e-AGM and can be used for voting only by those members who hold shares as on the cut-off date viz. July 22, 2026 and who are attending the meeting and who have not already cast their vote(s) through remote e-voting.

5. INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE E-AGM:

- a) Members will be able to attend the e-AGM through VC/OAVM provided by RTA at <https://emeetings.kfintech.com/> by clicking on the tab 'video conference' and using their remote e-voting login credentials shared through email. The link for e-AGM will be available in the Member's login where the event and the name of the Company can be selected. Members who do not have User ID and Password for e-voting or have forgotten the User ID and Password may retrieve the same by following the instructions mentioned in clause 2 of this Annexure.
- b) Members are encouraged to join the meeting through Laptops with Google Chrome for a better experience.
- c) Further, members will be required to use the camera, if any, and hence it is recommended to use the internet with a good speed to avoid any disturbance/glitch/garbling, etc. during the meeting.
- d) While all efforts would be made to make the VC/OAVM meeting smooth, participants connecting through mobile devices, tablets, laptops etc. may at times experience audio/video loss due to fluctuation in their respective networks. The use of a stable Wi-Fi or LAN connection can mitigate some of the technical glitches.
- e) Members, who would like to express their views or ask questions during the e-AGM will have to register themselves as a speaker by visiting the URL <https://emeetings.kfintech.com/> and clicking on the tab 'Speaker Registration' and mentioning their registered e-mail id, mobile number, and city, during the period starting from July 24, 2026 at 09.00 a.m. IST up to July 26, 2026 at 05.00 p.m. IST. Only those members who have registered themselves as a speaker will be allowed to express their views/ask questions during the e-AGM and the maximum time per speaker will be restricted to 3 minutes.

The Company reserves the right to restrict the number of speakers depending on the availability of time for the e-AGM. Please note that questions of only those members will be entertained/considered who are holding shares of Company as on the cut-off date i.e. July 22, 2026

- f) Members who need technical or other assistance before or during the e-AGM can contact RTA by sending email to emeetings@kfintech.com or call at Helpline: 1800 309 4001 (toll-free).

- g) Due to limitations of transmission and coordination during the Q&A session, the Company may dispense with the speaker registration during the e-AGM.

6. GENERAL INSTRUCTIONS FOR MEMBERS:

- a) The Chairperson shall formally propose to the members participating through VC/OAVM facility to vote on the resolutions as set out in this Notice of 15th AGM (e-AGM) and shall also announce the start of the casting of the vote at AGM through the e-voting platform of our RTA - KFin Technologies Limited and thereafter the e-voting at AGM will commence.
- b) The Scrutiniser shall, immediately after the conclusion of e-voting at the e-AGM, first count the votes cast during the meeting, thereafter unlock the votes cast through remote e-voting and make a consolidated Scrutiniser's report of the total votes cast in favour or against, if any, and submit the report to the Chairperson of the Company or any person authorized in that respect, who shall countersign the same and thereafter announce the results of the e-voting within two working days from the conclusion of the AGM. The results declared along with the scrutinizer's report shall be placed on the Company's website at <https://www.happiestminds.com/investors/agm-and-annual-report/> and the website of RTA at <https://evoting.kfintech.com/> and shall also be communicated to the stock exchanges viz BSE Limited & National Stock Exchange of India Limited, where the shares of the Company are listed. The resolutions shall be deemed to be passed at the e-AGM of the Company subject to obtaining requisite votes thereto.

Summarized information at a glance:

Particulars	Details
Time and date of AGM	4.00 p.m. IST on Tuesday the July 28, 2026
Venue/Mode	Through video conference at below link: https://emeetings.kfintech.com/
Book closure dates	July 18, 2026 to Tuesday, July 28, 2026 (both days inclusive)
Record date for payment of final dividend	July 17, 2026
Final dividend recommended for FY'26	₹3.65/- per equity share
Final dividend payout date, if approved by members	On or after August 4, 2026
Detailed information on TDS	https://www.happiestminds.com/investors/disclosures/
Cut-off date for e-Voting	July 22, 2026
E-voting Start time and date	Saturday July 25, 2026 at 09.00 a.m. IST
E-voting end time and date	Monday July 27, 2026 at 05.00 p.m. IST
E-voting website links (Please use as applicable to you)	https://evoting.kfintech.com/ https://eservices.nsdl.com https://web.cdslindia.com/myeasitoken/home/login
E-voting Event Number (EVEN)	9847

Webcast and transcript	https://www.happiestminds.com/investors/agm-and-annual-report/
Contact details of RTA	Mr. Umesh Pandey, Manager KFin Technologies Limited Selenium Tower B, Plot 31 & 32, Financial District, Nanakramguda, Serilingampally Mandal, Hyderabad - 500 032, Telangana Email ids: einward.ris@kfintech.com umesh.pandey@kfintech.com Website: https://www.kfintech.com Toll free number : 1- 800-309-4001

About Happiest Minds Technologies

Happiest Minds Technologies Limited (BSE, NSE: HAPPSTMNDS) is an AI First, customer-centric digital engineering company committed to delivering ‘Happiest People. Happiest Customers’. With an integrated approach that spans from chip to cloud, Happiest Minds delivers secure and scalable solutions across product engineering, cybersecurity, analytics, and automation platforms. Happiest Minds brings purpose and precision to every engagement, helping enterprises solve complex business challenges and fast-track their digital evolution across industry sectors such as Banking, Financial Services & Insurance (BFSI), EdTech, Healthcare & Life Sciences, Hi-Tech and Media & Entertainment, Industrial, Manufacturing, Energy & Utilities, and Retail, CPG & Logistics. Happiest Minds has been honored by both the Golden Peacock Awards and the Institute of Company Secretaries of India (ICSI) for its exemplary Corporate Governance practices. Guided by its mission of ‘Happiest People. Happiest Customers’ and consistently recognized as a great place to work, Happiest Minds is headquartered in Bengaluru, India, with a global presence across the Americas, UK, Europe, Australia, the Middle East, Africa, and Asia.



www.happiestminds.com