

Standalone Statement of Cash Flows

for the year ended March 31, 2021

(All amounts in ₹ lakhs, unless otherwise stated)

	Notes	For the year ended March 31, 2021	For the year ended March 31, 2020
Operating activities			
Profit before tax		18,602	7,533
Adjustments to reconcile profit before tax to net cash flows:			
Depreciation and impairment of property, plant and equipment and right-of-use assets	29	2,063	2,023
Share-based payment expense	28	297	266
Gain on investment carried at fair value through profit and loss	27	(184)	(121)
Gain on sale of investment carried at fair value through profit and loss	27	(671)	(455)
Interest income	27	(838)	(463)
Impairment of goodwill	32	-	1,126
Unrealised foreign exchange (gain)/ loss	27	73	(173)
Fair value loss on contingent consideration	30	28	-
Rent concession	27	(302)	-
Impairment loss	31	945	657
Finance costs	30	664	799
Operating cash flow before working capital changes		20,677	11,192
Movements in working capital:			
(Increase)/ decrease in trade receivables		(1,247)	1,330
(Increase)/ decrease in loans		5	(48)
Increase in non-financial assets		(213)	(194)
Increase in financial assets		(1,400)	(2,775)
Increase in trade payables		176	472
Increase/ (decrease) in financial liabilities		(1,269)	1,958
Increase in provisions		516	424
Decrease in contract liabilities		(18)	(286)
Increase/ (decrease) in other non-financial liabilities		1,407	(206)
		18,634	11,867
Income tax paid, net of refunds		(3,600)	(605)
Net cash flows from operating activities	(A)	15,034	11,262
Investing activities			
Purchase of property, plant and equipment	3	(78)	(46)
Purchase of intangible assets	4	(19)	(67)
Investment in bank deposit, net		6,931	(9,769)
Acquisition of subsidiary		(6,025)	-
Proceeds from sale of mutual funds		39,313	2,054
Investment in mutual funds		(69,269)	-
Interest received		777	379
Net cash flows used in investing activities	(B)	(28,370)	(7,449)

Standalone Statement of Cash Flows (Contd.)

(All amounts in ₹ lakhs, unless otherwise stated)

	Notes	For the year ended March 31, 2021	For the year ended March 31, 2020
Financing activities			
Repayment of long-term borrowings		(1,257)	(755)
Proceeds from long-term borrowings		6,025	-
Proceeds / (repayment) of short term borrowings (net)		4,213	1,430
Security deposits given		(300)	-
Payment of principal portion of lease liabilities		(1,657)	(1,659)
Payment of interest portion of lease liabilities		(328)	(412)
Proceeds from issue of Equity share capital (net of transaction costs)		10,544	-
Proceeds from exercise of share options		72	442
Interest paid		(368)	(326)
Net cash flows from/ (used) in financing activities	(C)	16,944	(1,280)
Net increase in cash and cash equivalents	[(A)+(B)+(C)]	3,608	2,533
Net foreign exchange difference		(6)	212
Cash and cash equivalents at the beginning of the year		4,350	1,605
Cash and cash equivalents at the end of the year		7,952	4,350
Components of cash and cash equivalents	14		
Balance with banks			
- on current accounts		3,548	1,428
- in EEFC accounts		2,029	1,922
Deposits with original maturity of less than three months		2,375	1,000
Total cash and cash equivalents		7,952	4,350
Non-cash investing activities:			
Acquisition of subsidiary	6	3,695	-
Acquisition of Right-of-use assets	20	1,052	706
Refer note 19 and 20 for changes in liabilities arising from financing activities and for non-cash financing activities.			
Summary of significant accounting policies	2		

The notes referred to above form an integral part of the Standalone Financial Statements.

As per our report of even date
for **S.R. Batliboi & Associates LLP**
Chartered Accountants
ICAI Firm's Registration Number : 101049W/E300004

for and on behalf of the Board of Directors:
Happiest Minds Technologies Limited
CIN : L72900KA2011PLC057931

per **Sumit Mehra**
Partner
Membership no.: 096547
Place: Bengaluru, India
Date: May 12, 2021

Ashok Soota
Executive Chairman
DIN : 00145962
Place: Bengaluru, India
Date: May 12, 2021

Venkatraman Narayanan
Managing Director &
Chief Financial Officer
DIN : 01856347
Place: Bengaluru, India
Date: May 12, 2021

Praveen Darashankar
Company Secretary
FCS No.: F6706
Place: Bengaluru, India
Date: May 12, 2021