

May 08, 2023

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

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

Dear Sir/Madam,

Sub: Outcome of the Board Meeting held on May 08, 2023

We wish to inform that the Board of Directors of the Company at its meeting held today i.e., May 08, 2023, transacted the following businesses:

1. Financial results:

Approved the audited financial statements of the Company (both standalone and consolidated) prepared in accordance with Indian Accounting Standards (IndAS) for the quarter and financial year ended as on March 31, 2023. A copy of the said financial results are enclosed herewith.

2. Dividend:

Recommended a final dividend of Rs.3.40/- per equity share of Rs.2/- each for the financial year ended March 31, 2023, subject to the approval of the members at the ensuing 12th Annual General Meeting of the Company (AGM).

3. Annual General Meeting:

The AGM has been scheduled on Monday, July 17, 2023, through Video Conference / Other Audio-Visual means without the physical presence of the members at a common venue. The Register of Members of the Company will be closed from Saturday, July 8, 2023 to Monday, July 17, 2023 (both days inclusive) for the purpose of AGM, annual closing and for determining entitlement of members for the final dividend for FY'23. The record date for payment of the final dividend would be Friday, July 7, 2023, and the dividend approved by the members will be paid on and after July 24, 2023.

4. Allotment of Non-Convertible Debentures:

Approved the allotment of the Debentures for raising funds to be utilized towards the general corporate purposes of the Company.

The relevant details pertaining to the Debentures are as below:

SECURITY NAME	Reset Rate Unsecured Rated Listed Redeemable Non-Convertible Debentures (INE419U08025)
ISSUER NAME	Happiest Minds Technologies Limited
MODE OF ISSUE	Private Placement

DATE OF ALLOTMENT	May 08, 2023
NUMBER OF DEBENTURES ISSUED	4,500 (Four Thousand Five Hundred)
ISSUE SIZE	INR 45,00,00,000 (Indian Rupees Forty-Five Crores)

The Board meeting commenced at 1.45 pm and concluded at 2.40 pm.

This is for your information and records.

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

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



Happiest Minds Technologies Limited

CIN : L72900KA2011PLC057931

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

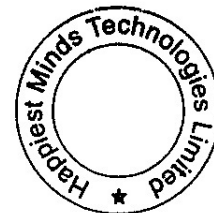
Website: www.happiestminds.com , Email: IR@happiestminds.com , Tel: +91 80 6196 0300

Consolidated Statement of Assets and Liabilities as at March 31, 2023

(Rs. in lakhs)

SI No	Particulars	As at March 31, 2023 (Audited)	As at March 31, 2022 (Audited)
	ASSETS		
A	Non-current assets		
	Property, plant and equipment	13,278	78
	Capital work-in-progress	185	-
	Goodwill	13,913	7,896
	Other intangible assets	10,182	2,396
	Right-of-use assets	5,786	5,390
	Intangible assets under development	81	35
	Financial assets:		
	i. Investments	1,296	762
	ii. Other financial assets	9,389	1,827
	Income tax assets (net)	1,310	680
	Deferred tax assets, net	1,246	697
	Other assets	119	1
	Total non-current assets	56,785	19,762
B	Current assets		
	Financial assets		
	i. Investments	-	46,400
	ii. Trade receivables	21,319	16,738
	iii. Cash and cash equivalents	6,999	6,729
	iv. Bank balance other cash and cash equivalent	62,184	10,071
	v. Loans	64	4
	vi. Other financial assets	12,237	9,405
	Other assets	4,495	3,392
	Total current assets	107,298	92,739
	Total assets (A+B)	164,083	112,501
	EQUITY AND LIABILITIES		
C	Equity		
	Equity share capital	2,866	2,854
	Other equity	81,016	63,726
	Total Equity	83,882	66,580
D	Non-current liabilities		
	Financial liabilities		
	i. Borrowings	11,278	1,724
	ii. Lease liabilities	4,761	4,119
	iii. Other Financial liabilities	1,996	1,291
	Provisions	2,466	1,858
	Deferred tax liabilities (net)	2,060	468
	Non-current liabilities	22,561	9,460
E	Current liabilities		
	Contract liability	1,157	1,346
	Financial liabilities		
	i. Borrowings	35,477	17,340
	ii. Lease liabilities	1,859	1,792
	iii. Trade payables		
	(A) Total outstanding dues of micro enterprises and small enterprises	83	79
	(B) Total outstanding dues of creditors other than micro enterprises and small enterprises	6,969	5,993
	iv. Other financial liabilities	7,428	5,788
	Income tax liabilities (net)	517	239
	Other current liabilities	2,375	2,426
	Provisions	1,775	1,458
	Total current liabilities	57,640	36,461
F	Total liabilities (D+E)	80,201	45,921
	Total equity and liabilities (C+F)	164,083	112,501

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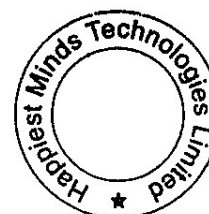


(Rs. in lakhs)

Statement of Consolidated Financial Results for the quarter and year ended March 31, 2023

Particulars	Quarter ended			Year ended	
	March 31, 2023	December 31, 2022	March 31, 2022	March 31, 2023	March 31, 2022
	Refer note 2	(Unaudited)	(Unaudited)	Audited	Audited
I. Revenue					
(a) Revenue from operations	37,798	36,688	30,057	142,929	109,365
(b) Other income	845	780	991	2,111	3,710
Total Revenue	38,643	37,468	31,048	145,040	113,075
II. Expenses					
(a) Employee benefits expense	22,109	20,882	16,694	80,681	62,000
(b) Finance costs	875	576	286	2,186	995
(c) Depreciation and amortisation expense	1,294	992	884	4,191	3,288
(d) Other expenses	6,472	6,860	6,196	26,362	21,598
Total Expenses	30,750	29,310	24,060	113,420	87,881
III. Profit before exceptional items and tax (I-II)	7,893	8,158	6,988	31,620	25,194
IV. Exceptional items: charge / (credit) (refer note 8)	-	634	-	634	609
V. Profit before tax (III-IV)	7,893	7,524	6,988	30,986	24,585
VI. Taxes					
Current tax	2,210	2,335	1,737	8,508	6,266
Expense for earlier periods	-	-	-	-	44
Deferred tax	(83)	(569)	40	(621)	155
Total Tax expense	2,127	1,766	1,777	7,887	6,465
VII. Profit for the period / year (V-VI)	5,766	5,758	5,211	23,099	18,120
VIII. Other comprehensive income, net of tax [(loss)/income]					
(i) Items to be reclassified to profit or loss in subsequent periods / year					
a) Exchange difference on translation of foreign operation	(47)	109	29	517	202
b) Net change in fair value of derivatives designated as cash flow hedges	782	165	(405)	(632)	(316)
c) Income tax effect on above	(197)	(41)	102	159	80
(ii) Items not to be reclassified to profit or loss in subsequent periods / year					
a) Re-measurement of defined benefit plans	14	13	26	(155)	(97)
b) Income tax effect on above	(4)	(3)	(7)	39	24
c) Net change in equity instruments through other comprehensive income	(351)	-	-	(351)	-
d) Income tax effect on above	74	-	-	74	-
IX. Total comprehensive income for the period / year (VII-VIII)	6,037	6,001	4,956	22,750	18,013
X. Paid-up equity share capital (face value of Rs. 2/- each)	2,866	2,863	2,854	2,866	2,854
XI. Other equity				81,016	63,726
XI. Earnings per share ("EPS") (face value of Rs.2/- each) (not annualised for quarters):					
Basic EPS (Rs.)	4.01	4.02	3.68	16.13	12.84
Diluted EPS (Rs.)	3.98	3.98	3.58	16.01	12.55

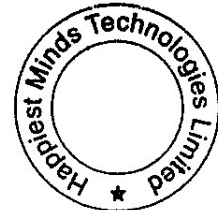
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Consolidated Statement of Cash Flows for the year ended March 31, 2023

		(Rs. in lakhs)	
		Year ended March 31, 2023 (Audited)	Year ended March 31, 2022 (Audited)
A. Cash flow from operating activities			
Profit before tax		30,986	24,585
Adjustments to reconcile profits before tax to net cash flows:			
Depreciation and amortization expense		4,191	3,288
(Gain)/ loss on disposal of property, plant and equipment, net		-	(10)
Share-based payment expense		120	300
Gain on investments carried at fair value through profit and loss		-	(368)
Gain on sale of investments carried at fair value through profit and loss		(803)	(1,377)
Interest income		(2,610)	(636)
Fair value loss on warrant liability		634	609
Net unrealised foreign exchange loss		1,219	404
Rent concession		(71)	(323)
Impairment loss on financial assets		-	189
Finance costs		2,186	995
Operating profit before working capital changes		35,852	27,656
Movements in working capital			
Increase in trade receivables		(3,468)	(4,526)
Decrease in loans		964	10
Increase in non-financial assets		(1,190)	(1,610)
Increase in financial assets		(1,961)	(3,078)
Increase/ (decrease) in trade payables		756	1,489
Increase/ (decrease) in financial liabilities		(1,362)	1,004
Increase in provisions		478	58
Increase/ (decrease) in contract liabilities		(225)	660
Decrease in other non-financial liabilities		(245)	496
Total movements in working capital		(6,253)	(5,497)
Cash generated from operating activities		29,599	22,159
Income tax paid (net of refunds)		(8,882)	(5,347)
Net cash generated from operating activities (A)		20,717	16,812
B. Cash flow from investing activities			
Purchase of property, plant and equipment		(13,106)	(67)
Purchase of intangible assets		(835)	(346)
Proceeds from sale of property, plant and equipment		-	10
Investment in equity shares of Tech4TH Solutions Inc.		(827)	(762)
Investments in fixed deposits, net		(56,995)	(3,020)
Acquisition of subsidiary		(10,987)	-
Investments in mutual funds		-	(40,049)
Proceeds from sale of mutual funds		47,203	34,542
Interest received		445	84
Net cash used in investing activities (B)		(35,102)	(9,608)
C. Cash flow from financing activities			
Repayment of long-term borrowings		(2,609)	(2,053)
Proceeds from long-term borrowings		12,383	-
Proceeds from issue of redeemable non-convertible debentures		4,500	-
Net proceeds from short-term borrowings		4,617	4,012
Payment of principal portion of lease liabilities		(2,004)	(1,702)
Payment of interest portion of lease liabilities		(544)	(487)
Payment of contingent consideration		(2,034)	(1,861)
Dividend paid		(5,715)	(6,830)
Proceeds from exercise of share options		147	171
Interest paid		(1,534)	(328)
Net cash generated from/(used in) financing activities (C)		7,207	(9,078)
Net increase in cash and cash equivalents (A+B+C)		(7,178)	(1,874)
Net foreign exchange difference		323	20
Cash and cash equivalents at the beginning of the year		6,729	8,583
Cash acquired on acquisition of subsidiary		6	-
Cash and cash equivalents at the end of the year		(120)	6,729
Components of cash and cash equivalents			
Balance with banks			
- on current account		5,346	5,649
- in EEFC accounts		1,653	1,080
Less : Bank overdraft		(7,119)	-
Total cash and cash equivalents		(120)	6,729

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Happiest Minds Technologies Limited

CIN : L72900KA2011PLC057931

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

Sr. No	Particulars	Quarter ended			Year ended	
		March 31, 2023	December 31, 2022	March 31, 2022	March 31, 2023	March 31, 2022
1	Debt-Equity ratio	0.64	0.51	0.38	0.64	0.38
2	Debt Service Coverage ratio (DSCR)	3.88	4.08	5.02	4.39	4.89
3	Interest Service Coverage ratio (ISCR)	10.71	14.57	32.76	16.04	31.35
4	Current ratio	1.86	2.37	2.54	1.86	2.54
5	Long-term Debt to Working Capital ratio	0.27	0.23	0.07	0.27	0.07
6	Bad debts to Trade receivable ratio	-	0.003	-	-	0.01
7	Current liability ratio	0.72	0.67	0.79	0.72	0.79
8	Total Debt to total Assets ratio	0.33	0.28	0.22	0.33	0.22
9	Trade Receivable Turnover Ratio	7.95	7.31	8.31	7.51	7.56
10	Operating margin (%)	0.24	0.24	0.24	0.25	0.24
11	Net profit margin (%)	0.15	0.16	0.17	0.16	0.17
12	Inventory turnover ratio	NA	NA	NA	NA	NA
13	Debenture Redemption Reserve	NA	NA	NA	NA	NA
14	Net worth as per Section 2(57) (in INR Lakhs)	83,486	76,942	65,832	83,486	65,727

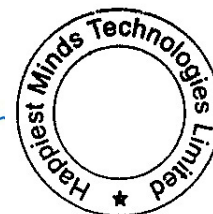
Note:

a. The aforesaid ratios for quarter ended December 31, 2022 has not been reviewed by the Statutory Auditors.

Formulae for computation of ratios are as follows:

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

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Notes to Statement of Consolidated Financial Results for the quarter and year ended March 31, 2023

1. In terms of Regulation 33 and 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, this Statement of Consolidated Financial Results for the quarter and year ended March 31, 2023 ("Consolidated Financial Results") of Happiest Minds Technologies Limited (the "Holding Company" or the "Company") and its subsidiaries, Happiest Minds Inc. and Sri Mookambika Infosolutions Private Limited (together referred to as "the Group") has been reviewed by the Audit Committee and approved by the Board of Directors at their meeting held on May 8, 2023.

2. The figures for the quarter ended March 31, 2023 are balancing figures between audited figures in respect of full financial year upto March 31, 2023 and the published year-to-date figure upto December 31, 2022 being the date of the end of the third quarter of the financial year. The published year-to-date results upto December 31, 2022 was subjected to a limited review by the Statutory Auditors of the Company.

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

4. The Board of Directors of the Company at their meeting held on May 8, 2023 have, for the financial year ended March 31, 2023, recommended the payout of a final dividend of Rs. 3.40/- per equity share of face value Rs.2/- each. This recommendation is subject to approval of Shareholders at the 12th Annual General Meeting of the Company scheduled to be held on July 17, 2023.

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

(Rs. in lakhs)

Particulars	Quarter ended			Year ended	
	March 31, 2023	December 31, 2022	March 31, 2022	March 31, 2023	March 31, 2022
	Refer note 2	(Unaudited)	(Unaudited)	(Audited)	(Audited)
Total revenue (including other income)	35,104	35,294	29,724	135,489	107,125
Profit before tax	7,258	7,325	8,084	29,168	25,085
Profit for the period / year	5,126	5,727	6,221	21,638	18,648
Total comprehensive income for the period / year ended	5,744	5,861	5,937	21,072	18,339

6. The segment reporting of the Group has been prepared in accordance with Ind AS-108 on 'Operating Segments'. The Group executive management committee examines the Group's performance on the basis of its business units and has identified three reportable segments: Infrastructure Management & Security Services (IMSS), Digital Business Solutions (DBS) and Product Engineering Services (PES).

Segment wise revenue and results are as follows:

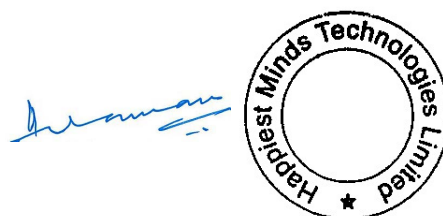
(Rs. in lakhs)

Particulars	Quarter ended			Year ended	
	March 31, 2023	December 31, 2022	March 31, 2022	March 31, 2023	March 31, 2022
	Refer note 2	(Unaudited)	(Unaudited)	(Audited)	(Audited)
1. Segment revenue					
IMSS	7,525	7,910	6,848	30,694	24,168
DBS	11,180	11,267	8,762	43,070	32,887
PES	19,093	17,511	14,447	69,165	52,310
Total	37,798	36,688	30,057	142,929	109,365
2. Segment results					
IMSS	2,119	2,535	1,739	9,243	5,917
DBS	3,673	3,082	2,261	13,089	8,789
PES	7,422	6,842	5,929	28,113	20,693
Total	13,214	12,459	9,929	50,445	35,399
Unallocable other income	845	780	991	2,111	3,710
Unallocable finance cost	(791)	(576)	(286)	(2,102)	(995)
Unallocable depreciation and amortisation expenses	(1,294)	(992)	(884)	(4,191)	(3,288)
Other unallocable expenses	(4,080)	(4,147)	(2,762)	(15,276)	(10,241)
Tax expense	(2,128)	(1,766)	(1,777)	(7,888)	(6,465)
Profit after tax	5,766	5,758	5,211	23,099	18,120

Segment wise assets and liabilities are as follows:

(Rs. in lakhs)

Particulars	March 31, 2023	March 31, 2022
	(Audited)	Refer note 2
1. Segment assets		
IMSS	6,420	7,202
DBS	19,590	19,140
PES	34,452	12,632
Other unallocable assets	103,621	73,527
Total assets	164,083	112,501
2. Segment liabilities		
IMSS	965	1,234
DBS	6,560	9,144
PES	8,775	1,884
Other unallocable liabilities	63,901	33,659
Total liabilities	80,201	45,921



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Notes to Statement of Consolidated Financial Results for the quarter and year ended March 31, 2023

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

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

The contingent consideration was classified as a financial liability as per Ind AS 109 'Financial Instruments' and was measured at fair value. The Accounting Standard mandates that any subsequent changes in such fair value will have to be recognized in the statement of profit and loss. The Group carried out a fair valuation during the year and there was increase in the liability. The said increase amounting to INR 634 lakhs (March 31, 2022 : INR 609 lakhs) has been recognised in the statement of profit and loss and disclosed as an 'Exceptional Item'.

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

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

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



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

Venkatraman Narayanan
Managing Director & Chief Financial Officer
DIN : 01856347

Place: Bengaluru, India
Date: May 8, 2023

Happiest Minds Technologies Limited

CIN : L72900KA2011PLC057931

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

Standalone Statement of Assets and Liabilities as at March 31, 2023

(Rs. in lakhs)

SI No	Particulars	As at March 31, 2023 (Audited)	As at March 31, 2022 (Audited)
	ASSETS		
A	Non-current assets		
	Property, plant and equipment	13,111	77
	Capital work-in-progress	185	-
	Goodwill	611	611
	Other intangible assets	394	271
	Right-of-use assets	5,786	5,389
	Intangible assets under development	81	35
	Financial assets:		
	i. Investment	19,719	6,025
	ii. Loans	2,465	2,274
	iii. Other financial assets	9,349	1,827
	Income tax assets (net)	1,196	679
	Deferred tax assets, net	1,246	697
	Other assets	93	1
	Total non-current assets	54,236	17,886
B	Current assets		
	Financial assets		
	i. Investments	-	46,400
	ii. Trade receivables	19,885	16,127
	iii. Cash and cash equivalents	5,966	5,601
	iv. Bank balance other than cash and cash equivalent	61,441	10,071
	v. Loans	64	4
	vi. Other financial assets	11,901	8,955
	Other assets	4,147	3,235
	Total current assets	103,404	90,393
	Total assets (A+B)	157,640	108,279
	EQUITY AND LIABILITIES		
C	Equity		
	Equity share capital	2,866	2,854
	Other equity	79,732	64,120
	Total Equity	82,598	66,974
D	Non-current liabilities		
	Financial liabilities		
	i. Borrowings	11,278	1,724
	ii. Lease liabilities	4,761	4,119
	iii. Other financial liabilities	1,996	-
	Provisions	2,179	1,858
	Total non-current liabilities	20,214	7,701
E	Current liabilities		
	Contract liability	759	972
	Financial liabilities		
	i. Borrowings	36,377	17,340
	ii. Lease liabilities	1,859	1,792
	iii. Trade payables		
	(A) Total outstanding dues of micro enterprises and small enterprises	83	79
	(B) Total outstanding dues of creditors other than micro enterprises and small enterprises	6,160	5,215
	iv. Other financial liabilities	5,590	4,321
	Other current liabilities	2,243	2,427
	Provisions	1,757	1,458
	Total current liabilities	54,828	33,604
F	Total liabilities (D+E)	75,042	41,305
	Total equity and liabilities (C+F)	157,640	108,279

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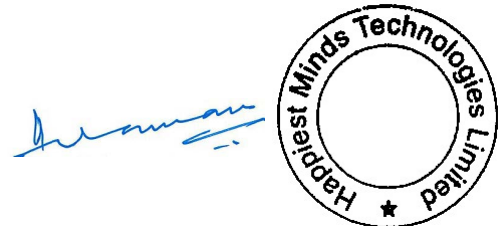
Happiest Minds Technologies Limited
CIN : L72900KA2011PLC057931

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

(Rs. in lakhs)

Statement of Standalone Financial Results for the quarter and year ended March 31, 2023

Particulars	Quarter ended			Year ended	
	March 31, 2023	December 31, 2022	March 31, 2022	March 31, 2023	March 31, 2022
	Refer Note 2	(Unaudited)	(Unaudited)	(Audited)	(Audited)
I. Revenue					
(a) Revenue from operations	34,233	34,476	28,682	133,255	103,354
(b) Other income	871	818	1,042	2,234	3,771
Total Revenue	35,104	35,294	29,724	135,489	107,125
II. Expenses					
(a) Employee benefits expense	20,540	20,740	16,492	78,690	61,210
(b) Finance costs	861	601	221	2,150	830
(c) Depreciation and amortisation expense	795	752	665	2,996	2,423
(d) Other expenses	5,650	5,876	4,871	22,485	17,577
Total Expenses	27,846	27,969	22,249	106,321	82,040
III. Profit before exceptional items and tax (I-II)	7,258	7,325	7,475	29,168	25,085
IV. Exceptional items: charge / (credit)	-	-	(609)	-	-
V. Profit before tax (III-IV)	7,258	7,325	8,084	29,168	25,085
VI. Tax expense					
Current tax	2,121	2,113	1,772	7,889	6,004
Deferred tax	11	(515)	91	(359)	433
Total tax expense	2,132	1,598	1,863	7,530	6,437
VII. Profit for the period / year (V-VI)	5,126	5,727	6,221	21,638	18,648
VIII. Other comprehensive income, net of tax [(loss)/income]					
(i) Items to be reclassified to profit or loss in subsequent periods / year					
a) Net change in fair value of derivatives designated as cash flow hedges	783	165	(405)	(631)	(316)
b) Income tax effect on above	(197)	(41)	102	159	80
(ii) Items not to be reclassified to profit or loss in subsequent periods / year					
a) Re-measurement of defined benefit plans	44	13	26	(125)	(97)
b) Income tax effect on above	(12)	(3)	(7)	31	24
IX. Total comprehensive income for the period / year (VII-VIII)	5,744	5,861	5,937	21,072	18,339
X. Paid-up equity share capital (face value of Rs. 2/- each)	2,866	2,863	2,854	2,866	2,854
XI. Other equity				79,732	64,120
XI. Earnings per share ("EPS") (face value of Rs.2/- each) (not annualised for quarters):					
Basic EPS (Rs.)	3.56	4.00	4.38	15.11	13.21
Diluted EPS (Rs.)	3.54	3.96	4.28	15.00	12.91

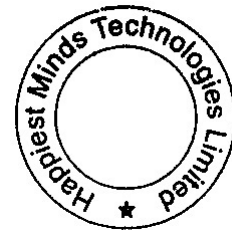


Standalone Statement of Cash Flows for the year ended March 31, 2023

(Rs. in lakhs)

	Year ended March 31, 2023 (Audited)	Year ended March 31, 2022 (Audited)
A. Cash flow from operating activities		
Profit before tax	29,168	25,085
Adjustments to reconcile profit before tax to net cash flows:		
Depreciation and amortization expense	2,996	2,423
Share-based payment expense	120	300
Gain on investments carried at fair value through profit and loss	-	(1,377)
Gain on sale of investments carried at fair value through profit and loss	(803)	(368)
Interest income	(2,725)	(667)
(Gain)/ loss on disposal of property, plant and equipment, net	-	(10)
Net unrealised foreign exchange loss / (gain)	1,209	354
Rent concession	(71)	(323)
Impairment loss on financial assets	-	33
Finance costs	2,150	830
Operating profit before working capital changes	32,044	26,280
Movements in working capital		
Increase in trade receivables	(3,687)	(4,415)
Decrease in loans	(60)	10
Increase in non-financial assets	(1,004)	(1,484)
Increase in financial assets	(2,092)	(2,635)
Increase in trade payables	936	1,303
Increase/ (decrease) in financial liabilities	(650)	648
Increase in provisions	495	58
Increase/ (decrease) in contract liabilities	(213)	607
Decrease in other non-financial liabilities	(184)	830
Total movements in working capital	(6,459)	(5,078)
Cash generated from operating activities	25,585	21,202
Income tax paid (net of refunds)	(8,406)	(5,275)
Net cash generated from operating activities	17,179	15,927
B. Cash flow from investing activities		
Purchase of property, plant and equipment	(13,096)	(67)
Purchase of intangible assets	(409)	(346)
Proceeds from sale of property, plant and equipment	-	10
Maturities of / Investments in fixed deposits, net	(57,495)	(3,020)
Acquisition of subsidiary	(10,987)	-
Loan to subsidiary	-	(2,231)
Investments in mutual funds	-	(40,049)
Proceeds from sale of mutual funds	47,203	34,542
Interest received	440	84
Net cash used in investing activities	(34,344)	(11,077)
C. Cash flow from financing activities		
Repayment of long-term borrowings	(2,609)	(2,053)
Proceeds from long-term borrowings	12,383	-
Net proceeds from short-term borrowings	4,721	4,012
Proceeds from issue of non-convertible debentures	4,500	-
Loan from subsidiary	900	-
Payment of principal portion of lease liabilities	(2,004)	(1,702)
Payment of interest portion of lease liabilities	(544)	(487)
Dividend paid	(5,715)	(6,830)
Proceeds from exercise of share options	147	171
Interest paid	(1,533)	(328)
Net cash generated from/(used in) financing activities	10,246	(7,217)
Net increase in cash and cash equivalents	(6,919)	(2,367)
Net foreign exchange difference	165	16
Cash and cash equivalents at the beginning of the year	5,601	7,952
Cash and cash equivalents at the end of the year	(1,153)	5,601
Components of cash and cash equivalents		
Balance with banks		
- on current account	4,313	4,521
- in EEFC accounts	1,653	1,080
Less : Bank overdraft	(7,119)	-
Total cash and cash equivalents	(1,153)	5,601

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

Sr. No	Particulars	Quarter ended			Year ended	
		March 31, 2023	December 31, 2022	March 31, 2022	March 31, 2023	March 31, 2022
1	Debt-Equity ratio	0.66	0.51	0.37	0.66	0.37
2	Debt Service Coverage ratio (DSCR)	3.32	3.94	5.59	4.00	4.46
3	Interest Service Coverage ratio (ISCR)	9.94	13.19	34.82	14.86	31.22
4	Current ratio	1.89	2.46	2.69	1.89	2.69
5	Long-term Debt to Working Capital ratio	0.27	0.24	0.06	0.27	0.06
6	Bad debts to Trade receivable ratio	-	0.004	0.004	-	-
7	Current liability ratio	0.73	0.69	0.81	0.73	0.81
8	Total Debt to total Assets ratio	0.34	0.29	0.23	0.34	0.23
9	Trade Receivable Turnover Ratio	7.60	7.57	8.27	7.40	7.45
10	Operating margin (%)	0.23	0.23	0.26	0.24	0.24
11	Net profit margin (%)	0.15	0.17	0.22	0.16	0.18
12	Inventory turnover ratio	NA	NA	NA	NA	NA
13	Debenture Redemption Reserve	NA	NA	NA	NA	NA
14	Net worth as per Section 2(57) (in INR Lakhs)	82,662	77,226	66,447	82,662	66,342

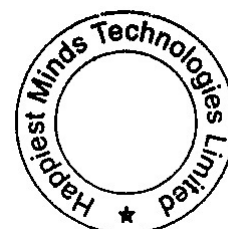
Note:

a. The aforesaid ratios for quarter ended December 31, 2022 has not been reviewed by the Statutory Auditors.

Formulae for computation of ratios are as follows:

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

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Notes to Statement of Standalone Financial Results for the quarter and year ended March 31, 2023

1. In terms of Regulation 33 and 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, this Statement of Standalone Financial Results for the quarter and year ended March 31, 2023 ("Standalone Financial Results") of Happiest Minds Technologies Limited (the "Company") has been reviewed by the Audit Committee and approved by the Board of Directors at their meeting held on May 8, 2023.
2. The figures for the quarter ended March 31, 2023 are balancing figures between audited figures in respect of full financial year upto March 31, 2023 and the unaudited published year-to-date figure upto December 31, 2022 being the date of the end of the third quarter of the financial year. The published year-to-date results upto December 31, 2022 was subjected to a limited review by the Statutory Auditors of the Company.
3. The Standalone Financial Results of the Company have been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standards ("Ind AS") as prescribed under section 133 of the Companies Act 2013 and, as amended, read with relevant rules thereunder and in terms of Regulation 33 and 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, as amended and SEBI Circular No.CIR/CFD/CMD1/44/2019 dated March 29, 2019.
4. The Board of Directors of the Company at their meeting held on May 8, 2023 have, for the financial year ended March 31, 2023, recommended the payout of a final dividend of Rs. 3.40/- per equity share of face value Rs.2/- each. This recommendation is subject to approval of Shareholders at the 12th Annual General Meeting of the Company scheduled to be held on July 17, 2023.
5. The Company publishes standalone financial statements along with the consolidated financial statements. In accordance with Ind AS 108, Operating segments, the Company has disclosed the segment information in the audited interim consolidated financial statements. Accordingly, the segment information is given in the audited consolidated financial results of Happiest Minds Technologies Limited and its subsidiary for the quarter and year ended March 31, 2023.
6. On January 1, 2023, the Company obtained operational and management control of Sri Mookambika Infosolutions Private Limited ("SMI"), a Madurai based Company which provides IT services, through a Control Agreement. The Company acquired 100% equity in SMI for total consideration of INR 13,694 lakhs, comprising cash consideration of INR 11,132 lakhs and fair-value of contingent consideration of INR 2,562 lakhs payable over the next 2 years subject to achievement of set targets. The Company paid the cash consideration of INR 11,132 lakhs on February 6, 2023 and the shares were transferred on the same day.
7. Rules in relation to 'The Code on Social Security, 2020 ('Code')' yet to be notified and the final rules/interpretation have not yet been issued. The Group will assess the impact of the Code when it comes into effect.
8. Previous quarter's/ year's figures have been regrouped/ reclassified wherever necessary to conform with current year classification.
9. The above Standalone Financials Results of the Company are available on the Company's website www.happiestminds.com and also that of BSE (www.bseindia.com) and NSE (www.nseindia.com).



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

Venkatraman Narayanan
Managing Director & Chief Financial Officer
DIN : 01856347

Place: Bengaluru, India
Date: May 8, 2023