

TERA SOFTWARE LIMITED

8-2-293/82/A/1107,
Plot No. 1107, Road No. 55,
Jubilee Hills, Hyderabad-500 033,
Telangana, INDIA.

TERA SOFT

Redefining IT Solutions

1st September, 2022

BSE Limited Phiroze Jeejeebhoy Towers Dalal Street, Fort Mumbai-400001	National Stock Exchange of India Limited Exchange Plaza, C-1, Block G, Banda Kurla Complex, Bandra (F) Mumbai-400051
Scrip Code: 533982	Symbol: TERASOFT

Dear Sir/Madam,


Sub: Notice of 28th Annual General Meeting (AGM) and the 28th Annual Report for the FY 2021-22

Pursuant to the provisions of the Regulation 34 of SEBI (LODR) Regulations, 2015, We herewith enclosing the Notice of 28th Annual General Meeting (AGM) of members of Tera Software Limited is scheduled to be held (physically) on Saturday, 24th September, 2022 at 12:30 p.m. at Hotel Jubilee Ridge, Plot No.38 & 39, Kavuri Hills, 100ft Road, Jubilee Hills, Hyderabad-500033, Telangana, India.

The Notice of 28th AGM together with the 28th Annual Report of the Company is made available on the Company's website www.terasoftware.com at the Investors Info with the following URL: <http://terasoftware.com/investors/annual-reports/>.

This is for your information and records, please.

Thanking You,
Yours faithfully,
For TERA SOFTWARE LIMITED


CH. MALLIKARJUNA
Company Secretary & Compliance Officer
Mem.No.A47545



CIN : L72200TG1994PLC018391

TERA SOFTWARE LIMITED

ANNUAL REPORT - 2021-22



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Board of Directors

Dr T. Hanuman Chowdary
Independent Director



Sri T. Sivarama Prasad
Independent Director



Sri T. Gopichand
Chairman &
Managing Director



Sri Divakar Atluri
Independent Director



Smt T. Pavana Devi
Non-Executive Director



Dr. T.V. Lakshmi
Independent Director



Sri. T. Bapaiah Chowdary
Non-Executive Director

BOARD OF DIRECTORS

Sri. T. Gopichand
Chairman & Managing
Director

Padma Shri
Dr. T. Hanuman Chowdary
Independent Director

Dr. T.V. Lakshmi
Independent Director

Sri. Divakar Atluri
Independent Director

Sri T. Sivarama Prasad
Independent Director

Sri. T. Bapaiah Chowdary
Non-Executive Director

Smt. T. Pavana Devi
Non-Executive Director

EXECUTIVE OFFICERS (KMP)

Sri. O. Babu Reddy
Chief Financial Officer

Sri. Ch. Mallikarjuna
Company Secretary &
Compliance Officer

BOARD COMMITTEES

Audit Committee

Sri. Divakar Atluri, Chairman
Dr. T. Hanuman Chowdary
Sri. T. Sivarama Prasad
Sri. T. Bapaiah Chowdary

Nomination & Remuneration Committee

Dr. T. Hanuman Chowdary, Chairman
Dr. T.V. Lakshmi
Sri. T. Bapaiah Chowdary

Stakeholders Relationship Committee

Sri. T. Bapaiah Chowdary, Chairman
Dr. T.V. Lakshmi
Smt. T. Pavana Devi

Corporate Social Responsibility Committee

Dr. T. Hanuman Chowdary, Chairman
Sri. Divakar Atluri
Sri. T. Gopichand
Smt. T. Pavana Devi

Borrowing Committee

Sri. T. Gopichand, Chairman
Sri. T. Sivarama Prasad
Smt. T. Pavana Devi

Debtors Review Committee (Sub Committee of Audit Committee)

Sri. Divakar Atluri, Chairman
Sri. T. Gopichand
Sri. T. Sivarama Prasad
Sri. O. Babu Reddy

CORPORATE INFORMATION

TERA SOFTWARE LIMITED

CIN : L72200TG1994PLC018391

Registered Office

8-2-293/82/A/1107, Plot No. 1107, Road No.55,
Jubilee Hills, Hyderabad-500033, Telangana
Tel: +91-40-23547447

Statutory Auditors

Mullapudi & Co.,
Chartered Accountants
Sri Nagar Colony
Hyderabad -500073

Secretarial Auditors

C.V. Reddy K. & Associates
Company Secretaries
Himayat Nagar
Hyderabad-500029

Bankers

Bank of Maharashtra
Corporate Finance Branch
Sultan Bazaar, Koti
Hyderabad-500001

Canara Bank
Large Corporate Branch
TSR Complex, S P Road
Secunderabad-500003

Company Secretary & Compliance Officer

Sri. Ch. Mallikarjuna
#8-2-293/82/A/1107, Plot No: 1107
Road No: 55, Jubilee Hills, Hyderabad-33
Tel: +91-40-23547447
Email: companysecretary@terasoftware.in
Website: www.terasoftware.com

Registrar & Transfer Agents

KFin Technologies Limited
Selenium Tower B, Plot 31 & 32
Gachibowli, Financial District
Nanakramguda, Serilingampally Mandal
Hyderabad - 500032, Telangana
Contact Person: Mohammed Shanoor
Officer-Corporate Registry
Toll free Number: 1-800-309-4001
Email: einward.ris@kfintech.com
Website: www.kfintech.com and /or <https://ris.kfintech.com>

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the Twenty Eighth (28th) Annual General Meeting (AGM) of the members of Tera Software Limited will be held on Saturday, the 24th September, 2022 at 12:30 pm at Hotel Jubilee Ridge, Plot No.38 & 39, Kavuri Hills, 100ft Road, Madhapur, Jubilee Hills, Hyderabad-500 033, Telangana, India to transact the following business:

ORDINARY BUSINESS:

1. Adoption of Financial Statements

To consider and adopt the Audited Standalone Financial Statements of the Company for the financial year ended 31st March, 2022, together with the Reports of the Board of Directors and the Auditors' thereon.

To consider and if thought fit, to pass, with or without modification(s), the following resolution as Ordinary Resolution:

“RESOLVED THAT the audited financial statements of the Company for the financial year ended 31st March, 2022 and the reports of the Board of Directors and Auditors thereon laid before this meeting, be and are hereby considered and adopted.”

2. Re-appointment of Director who retires by rotation

To appoint a Director in place of Mr. Tummala Bapaiah Chowdary, Director (DIN: 00107795), who retires by rotation and being eligible, offers himself for re-appointment.

To consider and if thought fit, to pass, with or without modification(s), the following resolution as Ordinary Resolution:

“RESOLVED THAT Mr. Tummala Bapaiah Chowdary, Director (DIN: 00107795), who retires by rotation at this Annual General Meeting be and is hereby re-appointed as a Director of the Company and that his period of office be liable to retire by rotation.”

3. To appoint Statutory Auditors and to fix their remuneration

To appoint M/s Narven Associates, as Statutory Auditors of the Company from the conclusion of this 28th Annual General Meeting until the conclusion of the 33rd consecutive Annual General Meeting and to fix their remuneration:

To consider and if thought fit, to pass, with or without modification(s), the following resolution as Ordinary Resolution:

“RESOLVED THAT pursuant to Sections 139, 142 of the Companies Act, 2013 (“Act”) and other applicable provisions, if any, of the said Act and Companies (Audit and Auditors) Rules, 2014 made thereunder and other applicable rules, if any, under the said Act (including any statutory modification(s) or re-enactment thereof for the time being in force) M/s. Narven Associates, Chartered Accountants (Registration No. 005905S), Hyderabad be and is hereby appointed as the Statutory Auditors of the Company in place of retiring Auditors M/s Mullapudi & Co., Hyderabad, for five consecutive financial years from FY 2022-23 to FY 2026-27 and to hold office from the conclusion of this 28th Annual General Meeting till the conclusion of 33rd consecutive Annual General Meeting at a remuneration to be fixed by the Audit Committee and/or Board of Directors of the Company, in addition to the re-imburement of applicable taxes and actual out of pocket and travelling expenses incurred in connection with the audit and billed progressively.”

SPECIAL BUSINESS

4. To appoint Dr. Braja Bandhu Nayak (DIN: 09702361) as an Independent Director

To consider and if thought fit, to pass, with or without modification(s), the following resolution as a Special Resolution:

“RESOLVED THAT pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 (“the Act”) read with Schedule IV to the Act (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and the Companies (Appointment and Qualification of Directors) Rules, 2014, as amended from time to time, and pursuant to recommendation of Nomination and Remuneration Committee and Board of Directors of the Company Dr. Braja Bandhu Nayak (DIN: 09702361), who has submitted a declaration that he meets the criteria for independence as provided under Section 149(6) of the Act and Regulation 16(1) (b) of the Securities Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015 and who is eligible for appointment, and in respect of whom the Company has received a notice in writing from a Member under Section 160(1) of the Act signifying his intention to propose Dr. Braja Bandhu Nayak's candidature for the office of Director, not liable to retire by rotation, be and is hereby appointed as an Independent Director of the Company for a first term of five consecutive years commencing from 24th September, 2022 to 23rd September, 2027.”

“RESOLVED FURTHER THAT Mr. Tummala Gopichand, Chairman & Managing Director of the Company be and is hereby authorized to sign and execute all such documents and papers (including appointment letter etc.) as may be required for the purpose and file

necessary e-form with the Registrar of Companies and to do all such acts, deeds and things as may considered expedient and necessary in this regard.”

“RESOLVED FURTHER THAT any one of the Director for the time being and Company Secretary be and are hereby severally authorised to sign the certified true copy of the resolution of the resolution to be given as and when required.”

By Order of the Board of Directors

Tummala Gopichand
Chairman & Managing Director

Place: **Hyderabad**

DIN: **00107886**

Date: **12-08-2022**

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING IS ENTITLED TO APPOINT A PROXY, OR WHERE, THAT IS ALLOWED ONE OR MORE PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF/ HERSELF AND SUCH PROXY NEED NOT BE A MEMBER. PROXIES IN ORDER TO BE EFFECTIVE MUST BE DULY STAMPED, SIGNED AND DEPOSITED AT THE COMPANY'S REGISTERED OFFICE NOT LESS THAN 48 HOURS BEFORE THE TIME FOR HOLDING THE MEETING.

A person can act as a proxy on behalf of members not exceeding fifty and holding in aggregate not more than ten percent of the total share capital of the Company carrying voting rights and such person, who shall not act as a proxy for any other member.

Proxies submitted on behalf of Limited Companies, Societies, Partnership Firms, etc. must be supported by appropriate resolution/ authority, as applicable, issued by the member organization.

2. Only bonafide members of the Company whose names appear on the Register of Members/ Proxy holders, in possession of valid attendance slip duly filled and signed will be permitted to attend the meeting. The Company reserves the right to take all steps as may be deemed necessary to restrict non-members from attending the meeting. Members/ Proxies are requested to bring along with them Annual Reports being sent to them.
3. In order to enable us to register your attendance at the venue of the Annual General Meeting, we request you to please bring your folio number/DP ID-Client ID to give you a duly filled attendance slip for your signature and participation at the meeting.
4. Members who hold shares in dematerialized form and want to change/correct the Bank account details should send the same immediately to their concerned Depository Participant and not to the Company. Members are also requested to give the MICR code of their Bank to their Depository Participants. The Company will not entertain any direct request from such members for change of address, transposition of names, deletion of name of deceased joint holder and change in the Bank account details. The Registrar is obliged to use only the data provided by the Depositories, in case of such demat shares.
5. Non-resident Indian Shareholders are requested to inform about the following immediately to the Share Transfer Agent or the concerned Depository as the case may be:-
 - a. the change of residential status on return to India for permanent settlement.
 - b. the particulars of NRE Account with a Bank in India, if not furnished earlier.
6. Copy of the draft letters of appointment of Independent Directors setting out the terms and conditions are available for inspection by members at the Registered Office of the Company and also available @ www.terasoftware.com.
7. The Explanatory statement pursuant to Section 102 of the Companies Act, 2013, in respect of the SPECIAL BUSINESS to be transacted at the meeting is attached. The relevant details pursuant to regulations 26(4) and 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") and secretarial standard on general meetings issued by the Institute of Company Secretaries of India, in respect of Directors seeking appointment/re-appointment at this annual general meeting is also annexed.
8. The Share Transfer Books and Register of Members of the Company will remain closed from Saturday, 17th September, 2022, to Friday, 23rd September, 2022 (both days inclusive).
9. Shareholders desiring any information as regards to the accounts are requested to write to the Company at an early date so as to enable the Management to keep the information ready at the meeting.
10. The registration of share transfers and other related correspondence will be dealt with Registrar and Share Transfer Agents (RTA), by the Company at M/s. Kfin Technologies Limited, having its office at Selenium Tower B, Plot No.31 & 32, Financial District, Gachibowli, Hyderabad, Telangana - 500032.
11. The shareholders / members of the Company, who are having equity shares of the Company in physical form, are advised to get dematerialized of their respective equity shares by way of surrendering their physical share certificates to the Registrar and Share Transfer Agents (RTA) of the Company (M/s Kfin Technologies Limited, Hyderabad) through their respective Depository Participants. The shareholders /members, who are not having demat accounts are requested to open the demat accounts and

thereafter approach the RTA for dematerialization of their equity shares.

12. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants. Members holding shares in physical form can submit their PAN details to the RTA.
13. Electronic copy of the Annual Report for 2021-22 (including Notice of the 28th Annual General Meeting of the Company along with Attendance Slip and Proxy Form) is being sent to all the members whose email IDs are registered with the Company/ Depository Participant(s) for communication purposes unless any member has requested for a physical copy of the same.
14. In accordance with the MCA Circulars and SEBI Circulars, this Notice ('Notice') along with the 28th Annual Report for the FY 2021-22 is being sent only by e-mail to all the Members whose e-mail addresses are available in the beneficial ownership data of M/s. Central Depository Services (India) Limited and M/s. National Securities Depository Limited ('Depositories') and the record of M/s. KFin Technologies Limited ('RTA'), Registrar and Share Transfer Agent of the Company and the physical copy of the Notice along with 28th Annual Report for the FY 2021-22 will not be sent to the Members of the Company.
15. Members holding shares in electronic form are requested to update the email id with their respective Depository Participants to receive all the communications in electronic mode.
16. Members may also note that the Notice of the 28th Annual General Meeting and the Annual Report for 2021-22 will also be available on the Company's website www.terasoftware.com for their download. The physical copies of the

aforsaid documents will also be available at the Company's Registered Office in Hyderabad for inspection during normal business hours on working days.

17. As per the provisions of Section 72 of the Act and SEBI Circular, the facility for making nomination is available for the Members in respect of the shares held by them as under:

a. Members holding shares in physical mode:

Members who have not yet registered their nomination are requested to register the same by submitting Form No. SH-13. If a Member desires to opt out or cancel the earlier nomination and record a fresh nomination, he/she may submit the same in Form ISR-3 or SH-14 as the case may be. The said forms can be downloaded from the RTA's website at <https://www.kfintech.com>.

b. Members holding shares in electronic mode:

Members holding shares in electronic form may contact their respective Depository Participants for availing this facility.

18. Members wishing to claim dividends, which remain unclaimed from the financial year 2014-15, are requested to correspond with Mr. Ch. Mallikarjuna, Company Secretary, at the Company's registered office. Shareholders are requested to note that dividends not encashed or claimed within 7 years from the date of transfer to the Company's Unpaid Dividend Account, will as per the provisions of Section 124 of the Companies Act, 2013, be transferred to the Investor Education and Protection Fund.

19. Voting through electronic means:-

Pursuant to provisions of Section 108 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014, the Company is pleased to offer e-voting facility to cast their votes electronically on all resolutions set forth in the notice convening

the 28th Annual General Meeting. The business may be transacted through e-voting services provided by M/s. Kfin Technologies Limited.

The e-voting facility is available at the link <https://evoting.kfintech.com>, the e-voting facility will be available on and from Wednesday, 21st September, 2022, at 9.00 a.m., and ends on Friday, 23rd September, 2022 at 5.00 p.m. (3 days)

Mr. C. V. Reddy K, Proprietor of M/s. C.V.Reddy K & Associates (CP No. 8998), Practising Company Secretaries, Hyderabad, has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner. The Scrutinizer will submit his report to the Chairman of this AGM ("the Chairman") or to any other person authorized by the Chairman after the completion of the scrutiny of the e-voting (votes cast during the AGM and votes cast through remote e-voting), not later than 48 hours from the conclusion of the AGM. The result declared along with the Scrutinizer's report shall be communicated to the stock exchanges, depositories and RTA, and will also be displayed on the Company's website:

www.terasoftware.com.

The instructions for shareholders voting electronically are as under:

- (i) The voting period begins on Wednesday, 21st September, 2022, at 9.00 a.m., and ends on Friday, 23rd September, 2022 at 5.00 p.m. During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of Friday, 16th September, 2022, may cast their vote electronically. The e-voting module shall be disabled by "Kfin" for voting thereafter.
- (ii) Members who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- (iii) Members holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Members are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility:

PROCEDURE TO LOGIN THROUGH WEBSITES OF DEPOSITORIES (FOR USERS REGISTERED WITH NSDL/CDSL)

National Securities Depository Ltd ("NSDL")	Central Depository Services (India) Ltd ("CDSL")
<p>Procedure for user already registered for NSDL IDeAS facility:</p> <ol style="list-style-type: none"> a. Visit URL: https://eservices.nsdl.com b. Click on the "Beneficial Owner" icon under "Login" under c. 'IDeAS' section. d. A new page will open, enter User ID and Password. e. Post successful authentication, click on "Access to e-voting" f. Click on Company name - 'Tera Software Limited' and you will be re-directed to e-voting page of KFin for casting the vote during the remote e-voting period. 	<p>Procedure for users already registered for Easi / Easiest facility of CDSL:</p> <ol style="list-style-type: none"> a. Visit URL: https://web.cdslindia.com/myeasi/home/login OR b. Click on www.cdslindia.com and then click on New System Myeasi / to My Easi option under Quick Login (best operational in Internet Explorer 10 or above and Mozilla Firefox) c. Enter your registered user id and password. d. The user will see the e-voting Menu. Click on e-voting link available against the name of the Company - 'Tera Software Limited' and you will be re-directed to e-voting page of KFin for casting the vote during the remote e-voting period.

PROCEDURE TO LOGIN THROUGH WEBSITES OF DEPOSITORIES (FOR USERS NOT REGISTERED WITH NSDL/CDSL)	
National Securities Depository Ltd (“NSDL”)	Central Depository Services (India) Ltd (“CDSL”)
<p>Procedure for user NOT registered with NSDL IDeAS facility:</p> <ol style="list-style-type: none"> To register click on link: https://eservices.nsd.com and select “Register Online for IDeAS” OR directly click at https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp Proceed to complete registration using your DP ID, Client ID, Mobile Number etc. Follow steps given in point a to f in previous table 	<p>Procedure for user NOT registered with Easi / Easiest facility of CDSL:</p> <ol style="list-style-type: none"> Option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration Proceed to complete registration using your DP ID-Client ID (BO ID), etc. Follow the steps given in point a to d in previous table
PROCEDURE TO LOGIN DIRECTLY THROUGH E-VOTING MODULE OF NSDL / CDSL	
National Securities Depository Ltd (“NSDL”)	Central Depository Services (India) Ltd (“CDSL”)
<p>Procedure for login directly through NSDL website:</p> <ol style="list-style-type: none"> Open URL: https://www.evoting.nsd.com/ Click on the icon “Login” which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number held with NSDL), type Password (if registered) or otherwise through OTP (in case your mobile/e-mail address is registered in your demat account) and a verification code as shown on the screen. On successful authentication, you will enter the e-voting module of NSDL. Click on “Active E-voting Cycles / VC or OAVMs” option under E-voting. You will see Company Name: “Tera Software Limited” on the next screen. Click on the e-voting link available against Tera Software Limited and you will be re- directed to the e-voting page of KFin to cast your vote without any further authentication. 	<p>Procedure for login directly through CDSL website:</p> <ol style="list-style-type: none"> Open URL: https://evoting.cdslindia.com/Evoting/EvotingLogin Provide your demat Account Number and PAN No. System will authenticate user by sending OTP on registered Mobile & Email as recorded in the demat Account. On successful authentication, you will enter the e-voting module of CDSL. Click on the e-voting link available against Tera Software Limited and you will be redirected to the e-voting page of KFin to cast your vote without any further authentication.

PROCEDURE TO LOGIN THROUGH THEIR DEMAT ACCOUNTS / WEBSITE OF DEPOSITORY PARTICIPANT

You can also login using the login credentials of your Demat account through your Depository Participant registered with NSDL/ CDSL for e-voting facility. An option for “e-voting” will be available once you have successfully logged-in through your respective logins. Click on the option “e-voting” and you will be redirected to e-voting modules of NSDL/CDSL (as may be applicable). Click on options available against the Company's Name: Tera Software Limited or E-Voting Service Provider – KFin. You will be redirected to e-voting website of KFin for casting your vote during the remote e-voting period without any further authentication.

Note:

1. Members who are unable to retrieve User ID / Password are advised to use “Forgot User ID” / “Forgot Password” options available on the websites of Depositories / Depository Participants.
2. Helpdesk for Individual Members holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.

Login type Helpdesk details:
a. Securities held with NSDL

Please contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30

b. Securities held with CDSL

Please contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022- 23058738 or 022- 23058542-43

Information and Instructions for Remote E-Voting by Members (Other than Individual Members) holding shares of the Company in demat mode AND all Members holding shares in Physical Mode:

- A. Procedure for Members whose email IDs are registered with the Company / Depository Participant(s), and who receives email from KFin which will include details of E-Voting

Event Number (EVEN), User ID and password:

- I. Launch internet browser by typing / clicking the URL: <https://evoting.kfintech.com>
- II. Enter the login credentials (i.e. User ID and password). 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 your DP ID and Client ID. However, if you are already registered with KFin for e-voting, you can use your existing User ID and password for casting the vote.
- III. After entering these details appropriately, click on “LOGIN”.
- IV. You will now reach password change menu wherein you are required to mandatorily change your password. The new password shall comprise of minimum 8 characters with at least one upper case (A- Z), one lower case (a-z), one numeric value (0-9) and a special character (@, #, \$, etc.). The system will prompt you to change your password and update your contact details like mobile number, email ID etc. on first login. You may also enter a secret question and answer of your choice to retrieve your password in case you forget it. It is strongly recommended that you do not share your password with any other person and that you take utmost care to keep your password confidential.

V. You need to login again with the new credentials.

VI. On successful login, the system will prompt you to select the E-voting Event Number (EVEN) for Tera Software Limited” and click on “Submit”.

VII. On the voting page, enter the number of shares (which represents the number of votes) as on the Cut-off Date under “FOR/AGAINST” or alternatively, you may partially enter any number in “FOR” and partially “AGAINST” but the total number in “FOR/AGAINST” taken together shall not exceed your total shareholding as mentioned herein above. You may also 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.

VIII. Members holding multiple folios/demat accounts shall choose the voting process separately for each folio/ demat accounts.

IX. Voting has to be done for each item of the notice separately. In case you do not desire to cast your vote on any specific item, it will be treated as abstained.

X. You may then cast your vote by selecting an appropriate option and click on “Submit”.

XI. A confirmation box will be displayed.

XII. Click “OK” to confirm or else “CANCEL” to modify. Once you have voted on the resolution(s), you will not be allowed to modify your vote. During the voting period, Members can login any number of times till they have voted on the Resolution(s).

B. In case email ID of Members is not registered with the Company/Depository Participants, then such Members are requested to register/update their email addresses with

the Depository Participant(s) (in case of shares held in Dematerialised form) and inform KFin at the email id:

evoting@kfintech.com (in case of Shares held in physical form):

- i. Upon registration, Member will receive an e-mail from KFin which includes details of E-Voting Event Number (EVEN), USER ID and password.
- ii. Please follow all steps mentioned above to cast your vote by electronic means.

Any member who has forgotten the user id and password, may obtain / generate / retrieve the same from KFin in the manner as mentioned below:

- i. If the mobile number of the member is registered against Folio No. / DP ID / Client ID, the member may send SMS: MYEPWD <space> E-Voting Event Number + Folio No. or DP ID Client ID to the mobile no. 9212993399

Example for NSDL:

MYEPWD <SPACE>IN12345612345678

Example for CDSL :

MYEPWD <SPACE>1402345612345678

Example for Physical:

MYEPWD <SPACE>XXXX1234567890

- ii. If e-mail address or mobile number of the member is registered against Folio No. /DP ID Client ID, then on the home page of [https:// evoting.kfintech.com](https://evoting.kfintech.com), the member may click “Forgot Password” and enter

Folio No. or DP ID Client ID and PAN to generate a password.

- iii. Members who may require any technical assistance or support before or during the AGM are requested to contact KFin at toll free number 1800-309-4001 or write to them at evoting@kfintech.com.

Details of persons to be contacted for issues relating to e-voting:

- i. Further, in case of queries and / or grievance, in respect of voting by electronic means, members may refer to the Help & Frequently Asked Questions (FAQs) and E-voting user manual available at the download section of <https://evoting.kfintech.com> or contact at evoting@kfintech.com.
- ii. For any further clarification, Members may contact Ms. Sheetal Doba, Manager Corporate Registry, KFin Technologies Limited, Unit: Tera Software Limited, Selenium Tower B, Plot 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad- 500 032. Contact No. 040-6716 1500/1509, Toll Free No.: 1800-309-4001, E-mail: einward.ris@kfintech.com.
- iii. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the “Forgot User Details/ Password?” or “Physical User Reset Password?” option available on <https://evoting.kfintech.com/> to reset the password.

20. KPRISM- MOBILE SERVICE APPLICATION BY KFIN:

Members are requested to note that, KFin has a mobile application - KPRISM and website <https://kprism.kfintech.com> for online service to Members. Members can download the mobile application, register themselves (onetime) for availing host of services viz., consolidated portfolio view serviced by KFin, dividends status etc. through the mobile app, members can also download Annual reports, standard forms and keep track of upcoming General Meetings and dividend disbursements. The mobile application is available for download from Android Play Store. Alternatively, Investors can also visit the link <https://kprism.kfintech.com/app/> to download the mobile application.

21. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Act, and the Register of Contracts or Arrangements in which the directors are interested, maintained under Section 189 of the Act, will be available for inspection by the members during the AGM free of cost. Members seeking to inspect such documents can send an email to: companysecretary@terasoftware.in.



EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013.

Item No.4: To appoint Dr. Braja Bandhu Nayak (DIN: 09702361) as an Independent Director

Dr. Braja Bandhu Nayak worked as an Executive Director for Electronics Corporation of India (ECIL) and having more than 35 years' experience in Industry with varying duration of involvement on product design, development, manufacturing, operation and planning, Corporate Governance and Policy Formulation. His appointment as an Independent Director will help to the Company's growth with his advises and knowledge.

Dr. Braja Bandhu Nayak (DIN: 09702361), aged 60 years, who has submitted a declaration that he meets the criteria for independence as provided under Section 149(6) of the Act and Regulation 16(1) (b) of the Securities Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015 and who is eligible for appointment, and in respect of whom the Company has received a notice in writing from a Member under Section 160(1) of the Act signifying his intention to propose Dr. Braja Bandhu Nayak's candidature for the office of Director, based on the recommendation of Nomination and Remuneration Committee and the Board of Directors of the Company at their Board Meeting held on 12th August, 2022, proposed to appoint Dr. Braja Bandhu Nayak as an Independent Director of the Company, not liable to retire by rotation, for a term of five consecutive years commencing from 24th September, 2022 to 23rd September, 2027."

The Company has received from Dr. Braja Bandhu Nayak (i) consent in writing to act as director in Form DIR 2 in terms of the Companies (Appointment & Qualification of Directors) Rules, 2014, (ii) intimation in Form DIR 8 in terms of the Companies (Appointment & Qualification of Directors) Rules, 2014, to the effect that he is not disqualified under sub-section (2) of Section 164 of the Companies

Act, 2013, (iii) a declaration to the effect that he is not debarred from holding the office of director by virtue of any SEBI order or any other such authority, and (iv) a declaration to the effect that he meets the criteria of independence and he is not aware of any circumstance or situation, which exist or may be reasonably anticipated, that could impair or impact his ability to discharge his duties with an objective independent judgment and without any external influence as prescribed under the Act and the Listing Regulations and other related documents.

In the opinion of the Board, Dr. Braja Bandhu Nayak fulfills the conditions specified in the Act and Rules made thereunder for his appointment as an Independent Director of the Company and is independent of the Management. The Board, based on the recommendation of the Nomination and Remuneration Committee, recommends his appointment as Non-Executive Independent Director.

Details as stipulated in Regulations 26(4) and 36 (3) of the Listing Regulations and as per Secretarial Standards – 2 on General Meetings is annexed and forms part of this AGM Notice.

Dr. Braja Bandhu Nayak and his relatives do not hold any shares in the Company and is not related with any other Directors, Manager and other Key Managerial Personnel of the Company.

None of the Directors or Key Managerial Personnel or their relatives other than Dr. Braja Bandhu Nayak are concerned or interested, financial or otherwise, in the Resolution set out at an Item No.4.

Accordingly, the Board recommends the Special Resolution set out at Item No.4 of the Notice for approval of the Members of the Company.

BRIEF PROFILE OF DIRECTOR(S) SEEKING APPOINTMENT/RE-APPOINTMENT AT THE FORTHCOMING ANNUAL GENERAL MEETING OF THE COMPANY PURSUANT TO REGULATION 36 (3) OF SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 AND SECRETARIAL STANDARD ON GENERAL MEETINGS ISSUED BY THE INSTITUTE OF COMPANY SECRETARIES OF INDIA.

Particulars	Item No. 2	Item No.4
Name of the Director	Mr. Tummala Bapaiah Chowdary	Dr. Braja Bandhu Nayak
Director Identification Number (DIN)	00107795	09702361
Date of Birth	21-11-1957	04-06-1962
Nationality	Indian	Indian
Date of appointment on the Board	01-11-1999	Recommended by the Board on 12-08-2022
Qualification	M.Com.	M.Tech. (Computer Science and Engineering)
Nature of Expertise in specific Functional Areas	Business man in Agri industry.	Total 35 years in Industry with varying duration of involvement on product design, development, manufacturing, Operation and Planning, Corporate Governance and Policy Formulation.
Terms and conditions of appointment/re-appointment	Non-Executive Director liable to retire by rotation	Independent Director not liable to retire by rotation
Details of relationship with other Directors, Manager and Key Managerial Personnel of the Company	Relative of Mr T. Gopichand (CMD) and Mrs. T. Pavana Devi (NED)	Nil
Names of other Listed Companies in which the person holds the Directorship	Nil	Nil
Number of memberships in Audit/ Stakeholder Committee(s) including this Listed entity	One	Nil
Details of Shares held in the Company	92,676 (0.74%)	Nil

By Order of the Board of Directors

Place: Hyderabad
Date : 12th August, 2022

Tummala Gopichand
Chairman and Managing Director
DIN: 00107886

DIRECTORS' REPORT

Dear Shareholders,

The Directors present the 28th Annual Report on the business and operations of the Company and audited Financial Results for the year ended 31st March, 2022.

1. FINANCIAL HIGHLIGHTS
(Rupees in Lakhs)

PARTICULARS	Year Ended 31.03.2022	Year Ended 31.03.2021
Gross Income	13032.72	16393.54
Expenditure	11962.65	15331.08
Profit before Finance Cost, Depreciation & Tax	1070.07	1062.46
Less: Finance Cost	1104.52	849.28
Depreciation	47.86	60.46
Profit/Loss Before Tax (PBT)	(82.31)	152.72
Less: Provision for Current tax	51.54	116.83
Tax Expense relating to earlier years	-	-
Deferred tax	(3.70)	(48.41)
Profit for the year (PAT)	(130.15)	84.30

2. COMPANY'S PERFORMANCE

The Company has achieved a turnover of Rs.13032.72 lakhs for the year ended 31st March, 2022 as against Rs.16393.54 lakhs in F.Y.2020-21. The Company has registered a net loss of Rs.130.15 lakhs as compares to previous year's net profit of Rs.84.30 lakhs.

3. MATERIAL CHANGES & COMMITMENTS

The pandemic has resulted the Company business go slow down, the onsite workforce shortage created a pause into the business, a slow execution of orders. Your directors expect better performance in coming years after the Company has successfully sustained the pandemic period and is on track of smooth transition.

The management has been prompt and attentive towards the difficulties faced by the business and several steps have been taken to keep the operations up and running, some of as follows:

- Flexibility in time and work location were provided to both internal and external staff to keep the operations in line with the stipulated timeframe.
- Sanitization protocol, social distancing, wearing of masks, adequate supply of materials, consumables, power, fuel, transportation etc. were ensured after the ease of lockdown during workplaces.
- Adequate Internal control and prompt solutions to the problems were provided to speed up the work.

There was a significant impact on the Business, due to the contracts and agreements with M/s APSFL, who is a State Implementing Agency of Bharat Net-Phase 2 in the state of Andhra Pradesh has short closed the project with an intension to Change the OFC Laying Methodology to Underground. And there was also an Operations and Maintenance Contract with the same organization was closed after 21 months of execution (total contract period was 60 months).

The Company has adequate Fixed and Current Assets and there has been no impact on the Assets due to pandemic. We, are in the process of sale of fixed assets (Land) as approved by the Members in the last AGM to re-pay the all the debts and to increase the working capital for Business operations.

4. DIVIDEND

Your Directors have not recommended the payment of dividend for the F.Y. 2021-22 due to non-profits.

5. TRANSFER TO RESERVES

During the current financial year, there are no funds that are required to be transferred to Reserves.

6. FIXED DEPOSITS

During the year under review, your Company has neither invited nor accepted any fixed deposits from the public.

7. SHARE CAPITAL

The Company's paid-up equity share capital continues to stand at Rs.1251.19 lakhs as on 31st March, 2022. During the year under review, the Company has not issued any shares or convertible securities.

8. MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Management's Discussion and Analysis Report as stipulated under Regulation 34 read with Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is annexed hereto as "Annexure - A" and forms part of Annual Report.

9. CORPORATE GOVERNANCE

As in the past, your Company continues to follow best of Corporate Governance policies. A report on Corporate Governance pursuant to the provisions of Corporate Governance Code stipulated under SEBI (LODR) Regulations, 2015 is annexed as "Annexure - B" and forms part of the annual report. The Auditors' Certificate regarding compliance of conditions of corporate governance is enclosed. A Certificate from the Practicing Company Secretary confirming compliance with the conditions of the Corporate Governance is also enclosed with this report.

10. AUDIT COMMITTEE

The Company has in place an Audit Committee in terms of requirements of the Act read with rules framed thereunder and Listing Regulations. The details relating to the Audit Committee are given in the Corporate Governance Report forming part of this report. During the year under review, all recommendations made by the Audit Committee were accepted by the Board.

11. BOARD MEETING

During the year under review Five meetings of the Board of Directors were held. The details of the

attendance of Directors at the Board Meetings are mentioned in the Corporate Governance Report annexed hereto.

The Board of Directors affirms that the Company has complied with the applicable Secretarial Standards (SS) issued by the Institute of Companies Secretaries of India (SS1 and SS2), respectively relating to Meetings of the Board and its Committees, and the Shareholders, which have mandatory applicable during the year under review.

12. DIRECTORS & KEY MANAGERIAL PERSONNEL (KMP)

Name of the Director/KMP	Director Identification Number (DIN)/Mem.No.	Category
Mr. T. Gopichand (KMP)	00107886	Chairman & Managing Director (Promoter Executive Director)
Dr. T. Hanuman Chowdary	00107006	Non-Executive & Independent Director
Dr. T. V. Lakshmi	00003020	Non-Executive & Independent Director
Mr. A. Divakar	00033386	Non-Executive & Independent Director
*Mr. T. Sivarama Prasad	06405913	Non-Executive & Independent Director
Mr. T. Bapaiah Chowdary	00107795	Promoter Non-Executive & Non-Independent Director
Mrs. T. Pavana Devi	00107698	Promoter Non-Executive & Non-Independent Director
Mr. O. Babu Reddy (KMP)		Chief Financial Officer
Mr. Ch. Mallikarjuna (KMP)	Mem. No. A47545	Company Secretary & Compliance Officer

Mr. Tummala Bapaiah Chowdary (DIN: 00107795), who retires by rotation and being eligible, offers himself for re-appointment. The Board recommends his re-appointment to the members of the Company at the ensuing Annual General Meeting (AGM).

Mr. Tummala Gopichand (DIN: 00107886), re-appointed as Vice Chairman & Managing Director (KMP), w.e.f. 1st September, 2021 to 31 August, 2026, at the previous Annual General Meeting held on 30th July, 2021, by the members of the Company and he is appointed as the Chairman of the Board/Company, General Meetings w.e.f. 14th February 2022.

Mr. Divakar Atluri (DIN: 00033386), appointed as an Independent Director for a period of Five years w.e.f. 12th February, 2021, at the previous Annual General Meeting held on 30th July, 2021, by the members of the Company.

*Mr. Tammana Sivarama Prasad (DIN: 06405913) appointed as an Independent Director for a period of Five years w.e.f. 30th July, 2021, at the previous Annual General Meeting held on 30th July, 2021, by the members of the Company.

Mr. SSR Koteswara Rao, Independent Director Vacated of Office of Director w.e.f. 11th November, 2021 due to not attended any meeting of Board of Directors held during a period of twelve months.

On the recommendation of Nomination and Remuneration Committee (NRC) and the Board of Directors of the Company at their meetings held on 12th August, 2022 recommends the appointment

of Dr. Braja Bandhu Nayak (DIN: 09702361) as an Independent Director, to the members of the Company at the ensuing AGM.

The Company has complied with the requirements of having Key Managerial Personnel as per the provisions of Section 203 of the Act.

13. DECLARATION BY INDEPENDENT DIRECTORS

The Company's Independent Directors have submitted requisite declarations confirming that they continue to meet the criteria of independence as prescribed under Section 149(6) of the Companies Act, 2013 and Regulation 16(1)(b) of the SEBI (LODR) Regulations, 2015. The Independent Directors have also confirmed that they have complied with Schedule IV of the Act and the Company's Code of Conduct.

14. PERFORMANCE EVALUATION

Schedule IV of the Companies Act, 2013 states that the performance evaluation of independent directors shall be done by the entire Board of Directors, excluding the director being evaluated. Nomination & Remuneration Policy of the Company envisages criteria for evaluation of performance of independent directors and the board of directors. Accordingly, a separate exercise was carried out to evaluate the performance of individual Directors including the Board & Chairman, who were evaluated on parameters such as attendance, contribution at the meetings and independent judgment, experience, competencies etc. The evaluation of the Independent Directors and that of the Chairman was carried out by the entire Board and the evaluation of Non- Independent Directors was carried out by the Independent Directors. A separate meeting of Independent Directors was also held during the year wherein the performance of Chairman, Board and Executive Director was evaluated.

15. NOMINATION & REMUNERATION POLICY

The Company has adopted a Nomination & Remuneration Policy for the Directors, Key Managerial Personnel and Senior Management, pursuant to the provisions of the Act and SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015.

It is affirmed that the remuneration paid to Directors, Key Managerial Personnel and all other employees is as per the Remuneration Policy of the Company. Details of the Remuneration Policy are given in the Corporate Governance Report.

16. AUDITORS & AUDITORS REPORT

i. APPOINTMENT OF STATUTORY AUDITORS

As per the provisions of Section 139(2) of the Companies Act, 2013, the listed Company shall not appoint or re-appoint an audit firm as Statutory Auditor for more than two terms of five consecutive years. In accordance with the said provision, the one term tenure of existing Statutory Auditors of the Company, viz., M/s. Mullapudi & Co., Chartered Accountants is expiring on the date of the ensuing AGM.

Therefore, the Board of Directors of the Company at their meeting held on 12th August, 2022 on the recommendation of the Audit Committee and subject to the approval of the members of the Company at the ensuing AGM, have approved the appointment of M/s. Narven Associates, Chartered Accountants (Firm Registration No. 005905S), Hyderabad as the Statutory Auditors, for a period of five years i.e. from the conclusion of the 28th AGM till the conclusion of 33rd AGM of the Company.

The Company has received written consent and certificate of eligibility in accordance with Sections 139, 141 and other applicable provisions of the Companies Act, 2013 and Rules made thereunder, from M/s. Narven Associates. They have also confirmed to hold a valid certificate issued by the Peer Review Board of The Institute of Chartered Accountants of India (ICAI) as required under the Listing Regulations. As per the Companies Act, 2013, a resolution seeking members' approval for the appointment of Statutory Auditors forms part of the Notice convening the AGM.

ii. SECRETARIAL AUDITORS

The Company has appointed M/s. C.V.Reddy K & Associates, Practising Company Secretaries as Secretarial Auditor. The Secretarial Audit report for the financial year 2021-22 in Form No.MR-3 and Annual Secretarial Compliance Report is annexed herewith as "Annexure - C" to this Report and The Secretarial Audit Report does not contain any reservation, qualification or adverse remark.

17. PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS UNDER SECTION 186

The Company has not made any loan, given guarantee or provided security or made investments pursuant to the provisions of Section 186 of Companies Act, 2013.

18. CONSERVATION OF ENERGY, TECHNOLOGY, ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

The details of conservation of energy, technology absorption, foreign exchange earnings and outgo are as follows:

A) Conservation of energy

The operations of the Company are not energy intensive and every effort has been made to ensure the optimal use of energy, avoid waste and conserve energy by using energy efficient computers and equipment with latest technologies.

B) Technology absorption

The Company is constantly upgrading its technological excellence with emerging technologies. It has not incurred any expenditure on Research and Development.

C) Foreign exchange earnings and Outgo

Foreign Exchange Earnings during the year: NIL

Foreign Exchange outgo: NIL

19. PARTICULARS OF EMPLOYEES

The information required under Section 197 of the Act read with rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are given below:

- a. The ratio of the remuneration of each director to the median remuneration of the employees of the Company for the financial year:

Name	Designation	Remuneration FY 2021-22 Amount in Rs.	Remuneration FY 2020-21 Amount in Rs.	% of Increase / Decrease in Remuneration	Ratio to Median Remuneration
Mr. T. Gopichand	Chairman & Managing Director	84,00,000	84,00,000	Nil	71.80
Mr. O. Babu Reddy	Chief Financial Officer	15,23,000	12,86,803	22.95	13.02
Mr. Ch.Mallikarjuna	Company Secretary	4,85,000	59,925 (Joined on 10/02/2021)	46.67	4.15

- b. The Median Remuneration of the employees of the Company during the financial year was Rs.1,16,992/-.
- c. The percentage increase in remuneration in each Director, Chief Financial Officer (CFO), Company Secretary (CS) in the financial year:
- Increased in remuneration of CFO is 22.95% (from CTC of Rs.14,64,000/- p.a. to CTC of Rs.18,00,000/- p.a. w.e.f. 01-02-2022) and
 - Increased in remuneration of CS is 46.67% (from CTC of Rs.4,50,000/- to CTC of Rs.6,60,000/- p.a. w.e.f. 01-02-2022)
- d. The percentage increase in the median remuneration of employees in the financial year: **1.42%**
- e. The number of permanent employees on the rolls of the Company as on 31st March, 2022: **997**
- f. **Average percentile increase made in the salaries of employees other than the managerial personnel in the last financial year**
- g. Average percentage increase made in the salaries of employees other than the managerial personnel in the last Financial Year i.e. 2021-22 was 0.98%. **Justification:** Increase in remuneration is decided based on the individual performance, inflation, prevailing industry trends and benchmarks. The remuneration of Non-Executive Directors consists of sitting fees only.
- h. **Affirmation that the remuneration is as per the remuneration policy of the Company**
The Company affirms that the remuneration is as per its remuneration policy.

20. CORPORATE SOCIAL RESPONSIBILITY

The Corporate Social Responsibility (CSR) Policy and CSR Committee formed pursuant to section 135 of Companies Act, 2013 and Rules made there under. The CSR Committee details are mentioned in the Corporate Governance Report. A budget of Rs. 11,64,761/- (Rupees Eleven Lakhs Sixty Four thousand Seven hundred and Sixty-One only) approved for the Financial Year 2020-21.

- The management spent Rs.4,10,000/- (Rupees Four Lakhs Ten thousand Only) towards CSR Activities and the un spent CSR amount of Rs.7,54,761/- (Rupees Seven Lakhs Fifty four thousand Seven hundred and Sixty one Only) transferred on 30th April 2022, to a separate Bank account opened as "Unspent Corporate Social Responsibility Account" with Bank of

Maharashtra, Sultan bazar Branch as per CSR Rules. This amount shall be spent with in stipulated time in accordance with this CSR Policy and the specified activities under the Companies Act, 2013 read with Companies (Corporate Social Responsibility Policy) Rules, 2014 and amendment(s) thereof, if any for the ongoing projects which were identified by the Board as recommended/approved by CSR Committee.

- (ii) The Management spent Rs.40,38,302/- (Rupees Forty Lakhs Thirty Eight thousand three hundred and two Only) from the “Unspent Corporate Social Responsibility Account” towards ongoing projects undertaken previously.

Full details of the above CSR Activities/expenditure mentioned in the disclosure as per Rule 8 of Companies (Corporate Social Responsibility Policy) Rules, 2014 which is enclosed as "Annexure - D" to this report.

21. HUMAN RESOURCES

Your Company recognizes human capital as the most important element to drive its progress. Hence, your Company has devised initiatives that enable training and development of employees across levels and enables their professional and personal growth.

Your Company's human resources management framework is aligned to the business goals and drives key decisions on business processes and introduction of new technology. The HR interventions of the Company focuses on skilling the existing workforce and empowering them to step beyond their defined roles.

22. RISK MANAGEMENT

The provisions related to the Risk Management Committee as stated in SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 are not applicable to the Company. The Audit Committee oversight the framework to identify, evaluate, mitigate and monitor the risk management, financial risk and controls in the Company.

23. INTERNAL FINANCIAL CONTROLS

The Company has an Internal Financial Control System to commensurate with the size and scale of its operations. The scope of the internal audit is decided by the Audit Committee and the Board. To maintain its objectivity and independence, the Board has appointed an internal auditor, who reports to the Audit Committee and the Board on a periodic basis. The internal auditor monitors and evaluates the efficacy and adequacy of internal control systems in the Company, its compliance with operating systems, accounting procedures and policies for various functions of the Company, Audit observations and actions taken thereof are presented to the Audit Committee.

24. VIGIL MECHANISM/ WHISTLE BLOWER POLICY

The Board of Directors has adopted the Whistle Blower Policy that aims for conducting the affairs in a fair and transparent manner by adopting highest standards of professionalism, honesty, integrity and ethical behaviour. A mechanism has been established for employees to report their concerns about unethical behavior, actual or suspected fraud or violation of Code of Conduct and Ethics. It also provides for adequate safeguards against the victimization of employees who avail of the mechanism and allows direct access to the Managing Director in exceptional cases. The Policy on vigil mechanism may be accessed on the Company's website at the link: <http://terasoftware.com/investors/vigil-blower-policy/>. There were no complaints received during the year 2021-22.

25. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS

No material orders have been passed by the Regulators or Courts or Tribunals against the Company which would impact the going concern status of the Company and its future operations.

26. LISTING OF SHARES ON STOCK EXCHANGES

The Equity Shares of your Company are listed on the BSE Limited and National Stock Exchange of India Ltd. The Annual listing fees of both the stock exchanges have been paid.

27. EXTRACT OF ANNUAL RETURN

The extract of the Annual Return, in form MGT 9 for the financial year 2021-22 is enclosed with this Report as "Annexure – E"

28. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

Particulars of contracts or arrangements with related parties referred to in Section 188(1) of the Companies Act, 2013 is prescribed in form AOC-2 and is appended as "Annexure – F" to the Board's report.

There are no materially significant related party transactions made by the Company with Promoters, Directors, Key Managerial Personnel or other designated persons which may have a potential conflict with the interest of the Company at large.

All Related Party Transactions have been placed before the Audit Committee for their approval and to the Board, as and when required. In all cases prior omnibus approval of the Audit Committee is obtained on a yearly basis. The transactions entered into pursuant to the omnibus approval so granted are reviewed by the audit committee on a quarterly basis. The policy on Related Party Transactions as approved by the Board is uploaded on the Company's website.

29. INFORMATION REQUIRED UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

Your Company always believes and endeavors to provide safe and healthy environment, which is free from discrimination and harassment including sexual harassment. The Company has an Internal Complaints Committee which operate under a defined redressal system. During the year, there were no complaints filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules made thereunder.

30. CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

In accordance with the Listing Regulations, a certificate has been received from M/s C.V.Reddy K & Associates, Practicing Company Secretaries, that none of the Directors on the Board of the Company has been disqualified to act as Director. The same is annexed herewith as "Annexure - G".

31. COMPLIANCE CERTIFICATE SIGNED BY CEO & CFO

Compliance Certificate signed by CEO & CFO for the financial year ended 31st March, 2022 under Regulation 17(8) as specified in Part B of Schedule II of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, is annexed herewith as "Annexure - H".

32. DECLARATION BY CEO ON CODE OF CONDUCT OF DIRECTORS & SENIOR MANAGEMENT

Declaration by the Chairman and Managing Director in accordance with Part D of Schedule V of SEBI

(Listing Obligations and Disclosure Requirements) Regulations, 2015, confirm that all the Members of Board of Directors and Senior Management Personnel of the Company have affirmed compliance with the Code of Conduct, as applicable to them, for the year ended 31st March, 2022, is annexed herewith as "Annexure - I."

33. COMPLIANCE CERTIFICATE BY AUDITORS ON COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE

Compliance Certificate by Auditors on Compliance of conditions of Corporate Governance as per Part E of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015) for the year ended 31st March, 2022, is annexed herewith as "Annexure - J."

34. DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the provisions of Section 134(5) of the Companies Act, 2013 the Board of Directors to the best of their knowledge and ability confirm that:

- a) In the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures; if any
- b) We have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for such period;
- c) We have taken proper and sufficient care for the 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 fraud and other irregularities;
- d) The annual accounts have been prepared on a going concern basis; and
- e) The Company had laid down internal financial controls to be followed by the Company and such internal financial controls are adequate and operating effectively.
- f) We have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

35. REPORTING OF FRAUD

During the year under review, the Statutory Auditors, Internal 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 Act, details of which need to be mentioned in this Report.

36. DECLARATION AS PER SECTION 134(3) OF THE COMPANIES ACT, 2013

During the year, the statutory auditors and secretarial auditors have not reported any instances of frauds committed by or against the Company by its Directors/ Officers/ Employees to the Audit Committee or Board under section 143(12) of the Companies Act, 2013 and rules made thereof. Therefore, no details are required to be disclosed under Section 134 (3) (ca) of the Act.

37. Statement containing additional information as required under Schedule V of the Companies Act, 2013.

A statement containing additional information as required under Clause IV of Section II of Part II of Schedule V of the Companies Act, 2013 is provided in the Report on Corporate Governance, which forms part of this Annual Report.

ACKNOWLEDGMENT

Your Directors place on record their gratitude to the Central, State Governments and Company's Bankers for the assistance, co-operation and encouragement they extended to the Company. The Directors would also like to thank the Shareholders, Customers, Employees, dealers, suppliers and all other stakeholders for their continued support and confidence in the Company's management.

For and on behalf of the Board of Directors

Place: Hyderabad
Date: 12th August, 2022

T. Pavana Devi
Director
DIN: 00107698

T. Gopichand
Chairman & Managing Director
DIN: 00107886

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MANAGEMENT DISCUSSION AND ANALYSIS REPORT

GLOBAL ECONOMIC OVERVIEW

Global growth is projected to slowdown from an estimated 6.1% in 2021 to 3.6% in 2022 and 2023 but it would have marginal impact on India from an estimated 8.9% in 2021 to 8.2% in 2022. Beyond 2023, global growth is forecast to decline to about 3.3 percent over the medium term. The revision made for 2023 is due to assumption that the conflict remains confined to Ukraine, further sanctions on Russia exempt the energy sector (although the impact of European countries' decisions to wean themselves off Russian energy and embargoes announced through 31st March, 2022, are factored into the baseline), and the pandemic's health and economic impacts abate over the course of 2022.

INDIAN ECONOMIC OVERVIEW

India's rapid and comprehensive policy responses to the pandemic, including fiscal support and economic reforms are boosting the recovery and thus India has emerged as the fastest-growing major economy in the world and is expected to be one of the top three economic powers in the world over the next 10-15 years.

Real GDP or Gross Domestic Product (GDP) at Constant (2011-12) Prices in the year 2021-22 is estimated to attain a level of ₹147.72 lakh crore.

Nominal GDP or GDP at Current Prices in the year 2021-22 is estimated to attain a level of ₹236.44 lakh crore, as against ₹198.01 lakh crore in 2020-21, showing a growth rate of 19.4%

India's economy grew by 8.5% year-on-year in Q2 of FY 22. On a sequential basis (quarter-on-quarter basis), domestic economic output expanded by 10.4%. The easing/ removal of lockdowns across states along with the steady decline in covid-19 cases and the higher vaccination rate facilitated higher economic activity and output in the latest quarter.

INDUSTRY STRUCTURE AND DEVELOPMENTS

There are increasing signs of higher level of activity across sectors. This has given rise to optimism that the recovery in the domestic economy is strengthening. Even if the pace of recovery is sustained in the next two quarters, India's GDP for the year is expected to be only marginally higher than that in FY20.

Even though the domestic Indian Economy has come off the record decline of last year, it is yet to surpass pre-pandemic level in a meaningful manner. When compared with the pre-pandemic period i.e., Q3 FY20, the GDP in Q3 FY22 is only higher by 2%.

OPPORTUNITIES

There has yet to be a significant and long-lasting increase in demand and investment. Given the uncertainties surrounding the size of the economic recovery, the RBI is projected to maintain its growth emphasis and maintain its accommodating monetary policy stance even as it moves toward gradual support normalization.

THREATS

Given that the domestic economy was already struggling with low demand and a sluggish investment climate before the pandemic, improvements are projected to be limited and gradual. Furthermore, both

domestic and external problems and uncertainties continue to exist. The spike in prices, as well as the underlying threat of new Covid virus types, as well as the concomitant issues of on-and-off restrictions and lockdowns, could be a setback/challenge for both local and global recovery.

FINANCIAL REVIEW

The Company's revenue drop-off to 13032.72 lakhs in FY 2021-22 as against 16393.54 lakhs in FY 2020-21, under challenging business circumstances due to Covid-19 and Post Covid circumstances. This year occurred Loss before tax is 82.31 lakhs against Profit before tax 152.72 lakhs for FY2020-21.

RISKS AND CONCERNS

Your Company implements the Digital Projects as E-governance, System Integration, and building IT and non-IT infrastructure for Optical Fibre Cable and Broad band services. These operations require physical presence of manpower resources on site for delivery of services and integration of the equipment and upkeep of the same. Due to COVID-19 and Post Covid circumstances the business was completely slow down and created shortage on the onsite workforce. We are hopeful that the business performance will increase in future days with getting more work orders, with manpower resources.

Your Company facing the economic problems that of high costs, diminished traditional revenue streams and reliance on things other than the product itself to make money. These are different challenges than the Manpower, software, infrastructure itself as a set of technical and project management problems like Low budgeted value of projects, Delayed revenue, Less finance availability, Technology Obsolescence, Competition.

The Company's management is continuously making efforts to mitigate this risk. The Company has a structured approach for handling risks. The Company has adequate mitigation plans for the risks based on the probability of their occurrence, potential impact and volatility. The emerging risks are discussed periodically with the management to ensure implementation of proper control mechanism.

ACCOMPLISHMENTS OF TERA SOFTWARE

- Tera Software is working as System Integrator for implementation of PAN City ICT project in Davanagere City, State of Karnataka from Davanagere Smart City Limited, Government of Karnataka to implement and integrate City Surveillance System, Smart Health Management, Solid Waste Management System, Water supply system, Underground Drainage, Intelligent Traffic Management System, Smart Parking, Intelligent Transport System, City Wi-Fi, Environment Sensors, e-Learning Centres, Smart energy/Roof Top Solar System, Smart Street Lighting and Quality Monitoring System.
- Tera Software is executing the implementation of Bharat Net Project in the state of ODISHA. Bharat net is a Central Government of India Initiative to enrich the Rural India with the Broad Band Services, targeted to extend 2,50,000 Gram panchayats across India.
- Tera Software will be delivering the Maintenance services for Bharat net projects for next 6 Years to upkeep the network for delivery of services.
- Tera Software is more focused in the Broad Band services which is very essential post corona Pandemic to deliver on line services. Tera soft is currently establishing the connectivity to 16,000 Gram panchayats under the Bharat Net project. And focused to bid for the same services in other parts of the Country under Bharat Net project.

- Tera Software will strive in technology in future days to extend the Fiber to Home services across rural India as it had the expertise and delivered the technology to 10 lakh Households in the state of Andhra Pradesh.
- We are ISO 20000-1:2011, ISO 27001:2013 and ISO 9001:2015 certified Company offering innovative, flexible and affordable software solutions to customers across the globe.

We strive to create niche and set standards for technology considering the Pandemic across the globe. Pandemic claims to have three waves. Hence, Tera Software has targeted to achieve an annual turnover of 1500 Cr INR in next 5 years. With a shift in the future focus that are:

- Digital Marketing.
- FTTH Solutions. (Broad band services)
- Mobile Applications.

INTERNAL CONTROLS SYSTEMS AND ADEQUACY

Company's internal controls are commensurate with its size and the nature of its operations. These have been designed to provide reasonable assurance with regard to recording and providing reliable financial and operational information, complying with applicable statutes, safeguarding assets from unauthorised use, executing transactions with proper authorisation and ensuring compliance of corporate policies. Processes for formulating and reviewing annual and long-term business plans have been laid down.

MATERIAL DEVELOPMENTS IN HUMAN RESOURCES / INDUSTRIAL RELATIONS FRONT, INCLUDING NUMBER OF PEOPLE EMPLOYED

The Company constantly reviews the man power requirements and has a properly equipped department to take care of the requirements. The total number of people employed by the Company as on 31.03.2022 is 997.

For and on behalf of the Board of Directors

Place: Hyderabad
Date: 12th August, 2022

Tummala Gopichand
Chairman and Managing Director
DIN: 00107886

Annexure-B

CORPORATE GOVERNANCE REPORT

COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

The Company believes that timely disclosures, transparent accounting policies coupled with a strong and independent board are the pillars of a good corporate governance structure. We endeavor to embrace and imbibe good governance practices. Corporate Governance is an integral means for the existence of the Company. It ensures adherence to the moral and ethical values, legal and regulatory framework and the adoption of good practices. We have a defined policy framework for ethical conduct of businesses. The Company is in compliance with the requirements stipulated under Regulation 17 to 27 read with Schedule V and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), as applicable, with regard to corporate governance. A report on compliance with the principles of Corporate Governance as prescribed by SEBI in Chapter IV read with Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations) is given below.

GOVERNANCE STRUCTURE**BOARD OF DIRECTORS**

The composition of the Board with reference to the number of Executive, Non-Executive Directors and Woman Directors, meets the requirement of Regulation 17(1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended ("Listing Regulations").

The Company has an optimum combination of Non-Executive Directors. The present Board comprises of Seven Directors which includes Executive Chairman & Managing Director, Non-Executive & Non-Independent Directors & Non-Executive & Independent Director (including one Independent Woman Director) as under:

Name of the Director	Director Identification Number (DIN)	Category
Mr. T. Gopichand	00107886	Chairman & Managing Director (Promoter Executive Director)
Dr. T. Hanuman Chowdary	00107006	Non-Executive & Independent Director
Dr. T. V. Lakshmi	00003020	Non-Executive & Independent Director
Mr. A. Divakar	00033386	Non-Executive & Independent Director
*Mr. T. Sivarama Prasad	06405913	Non-Executive & Independent Director
Mr. T. Bapaiah Chowdary	00107795	Promoter Non-Executive & Non-Independent Director
Mrs. T. Pavana Devi	00107698	Promoter Non-Executive & Non-Independent Director

During the F.Y. 2021-22, *Mr. T. Sivarama Prasad has been appointed as an Independent Director (Non-Executive and Independent) in the Annual General Meeting held on 30th July, 2021 as recommended by the Nomination and Remuneration Committee.

During the F.Y. 2021-22, Mr. SSR Koteswara Rao vacated the office of Director w.e.f. 11th November, 2021 as per Companies Act, 2013 and Rules made thereunder.

MEETINGS OF BOARD

The meetings of the Board of Directors are generally held at the registered office of the Company located at Hyderabad. The Board of Directors met Five (5) times during the financial year i.e. on 10-06-2021, 13-08-2021, 17-09-2021, 11-11-2021 and 14-02-2022 and the maximum time gap between any two meetings was less than one hundred and twenty days, as stipulated under SEBI(LODR) Regulations, 2015 as well as Companies Act, 2013.

The meetings of the Board were governed by a structured agenda. Directors were given an opportunity to include any other matters in the agenda. The agenda, together with Board papers, were sent in full to the directors not less than seven business days before the intended date of the Board Meeting or a shorter period with the consent of independent directors. Necessary information as required under the act and as per the guidelines on Corporate Governance are placed before the board and reviewed by them from time to time.

None of the directors on the board is a Member of more than 10 committees or Chairman of more than 5 committees, across all companies in which he/she is a director. The necessary disclosures regarding committee positions have been made by the directors.

The names and categories of the directors on the Board, their attendance at Board meetings held during the year and the number of directorships and committee chairmanships/memberships held by them in other public companies as on 31st March, 2022 are given herein below:

Name of the Director	Category	Number of board meetings attended during the year 2021-22	Whether attended last AGM held on 30-07-2021	**No. of Directorships in public companies	***No. of Committee positions held in public companies		No. of share held	%to the paid-up share capital
					Chairman	Member		
Mr. T. Gopichand	Chairman & Managing Director	5	Yes	1	0	0	1196554	9.56
*Mr. SSR Koteswara Rao	Independent Non-Executive Director	0	No	2	0	3	0	0
Dr. T. Hanuman Chowdary	Independent Non-Executive Director	5	Yes	2	0	1	0	0
Dr. T.V. Lakshmi	Independent Non-Executive Director	5	Yes	1	1	1	0	0
Mr. A. Divakar	Independent Non-Executive Director	5	Yes	1	1	0	0	0
Mr. T.Sivarama Prasad	Independent Non-Executive Director	4	Yes	1	0	1	0	0
Mr. T. Bapaiah Chowdary	Non-Executive Director	5	Yes	1	1	1	92,676	0.74
Mrs. T. Pavana Devi	Non-Executive Director	5	Yes	1	0	1	574760	4.59

*Mr. SSR Koteswara Rao vacated the office of Director w.e.f.11-11-2021 as per Companies Act, 2013 and Rules made thereunder.

** In the above table the number of directorships does not include directorships of Private Limited Companies, Companies registered under Section 8 of Companies Act, 2013/Section 25 of Companies Act, 1956.

*** Chairmanship/Membership of Committees includes only Audit Committee & Stakeholders Relationship Committees of Public Limited Companies.

DISCLOSURE OF RELATIONSHIPS BETWEEN DIRECTORS INTER-SE

Name of the Director	Nature of Relationship
Mrs. T. Pavana Devi (Non-Executive Director)	Spouse of Mr. T. Gopichand (Chairman & Managing Director of the Company)
Mr. T. Bapaiah Chowdary (Non-Executive Director)	Brother of Mr. T. Gopichand (Chairman & Managing Director of the Company)

INDEPENDENT DIRECTORS

All Independent Directors of the Company have been appointed as per the provisions of the Companies Act, 2013 and the governance guidelines for board effectiveness is adopted by the Company. Formal letters of appointment have been issued to the Independent Directors. The Independent Directors have submitted declarations that they meet the criteria of Independence laid down under the Companies Act, 2013 and the Listing Regulations.

The Company has formulated a policy to familiarize the independent directors with the Company, their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model of the Company, etc., through various programmes. The details of such familiarization programmes are disclosed on the website of the Company www.terasoftware.com.

Separate meeting of Independent Directors in compliance with Schedule IV of the Companies Act, 2013 was held on 14-02-2022 without the attendance of non – Independent Directors. At such meetings, the Independent Directors, inter alia, reviewed the performance of (i) Chairman, Non-Independent Directors and the Board as a whole, (ii) Chairman of the Company taking into account views of Executive/Non-Executive Directors and (iii) assessing the quality, quantity and timeliness of flow of information between the Company's management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

DETAILS OF SKILLS / EXPERTISE / COMPETENCE OF THE BOARD OF DIRECTORS

The Company has identified the following skills/expertise/competence and those which are already available with in the Board:

S. No.	Name of the Directors	Existing Skills / Expertise / Competence
1	Mr. T. Gopichand	Technology Innovation, Strategic Development & Leadership
2	Dr. T. Hanuman Chowdary	IT and Management Advisory
3	Dr. T.V. Lakshmi	Research & Innovations
4	Mr. A. Divakar	Accounts, Audit and Governance
5	Mr. T. Sivarama Prasad	Accounts, Banking Governance
6	Mr. T. Bapaiah Chowdary	Management
7	Mrs. T. Pavana Devi	Strategy & Leadership

CODE OF CONDUCT

The Company has adopted a code of conduct for all board members and designated senior management. The duties of Independent Directors as laid down in the Companies Act, 2013, are incorporated in the Code of Conduct. The Code of Conduct is available on the website of the Company i.e. <http://terasoftware.com/investors/code-of-conduct>. The Managing Director has confirmed to the Board that the Company has obtained from all the members of the Board and Senior Management, affirmation that they have complied with the Code of Conduct for Directors and Senior Management in respect of the Financial Year ended on 31st March, 2022. A declaration to this effect signed by Managing Director has been incorporated in the Annual Report.

BOARD AND DIRECTOR EVALUATION AND CRITERIA FOR EVALUATION

The Company follows a structured assessment process for evaluation of performance of the Board, Committees of the Board and individual performance of each Director including the Chairman based on the criteria approved by the Board.

The Board has adopted a formal performance evaluation policy for evaluating the performance of the Independent Directors. The exercise was carried out through a structured evaluation process covering various aspects such as attendance at meetings of Board, core competencies, performance of specific duties and obligations, leadership initiatives, adherence to code of conduct and compliance with the policies. The evaluation of the Independent Directors was carried out by the entire board excluding the director being evaluated.

REMUNERATION OF DIRECTORS

(a) All pecuniary relationship or transactions of the non-executive directors vis- à-vis the listed entity: Except Mr. T. Gopichand (CMD), Mrs. T. Pavana Devi and Mr. T. Bapaiah Chowdary, the Non-executive Directors does not have any pecuniary relationship or transactions vis-à-vis the listed entity except for receiving sitting fees for attending meetings of the Board and Committees.

(b) Criteria of making payments to non-executive directors: The Non-Executive & Independent Directors receive sitting fees. The amount of sitting fees is subject to ceiling/ limits as provided under Companies Act, 2013 and rules made there under or any other enactment for the time being in force and on the recommendations by the Nomination and Remuneration Committee and approved by the Board of Directors.

(c) Disclosures with respect to remuneration

(i) All elements of remuneration package of individual directors summarized under major groups:

For the year ending on 31st March, 2022

(Rs. in lakhs)

S. No.	Name of the Director	Salary	Sitting Fees	Total
1	Mr. T. Gopichand	84.00	---	84.00
2	Dr. T. Hanuman Chowdary	---	1.18	1.18
3	Dr. T.V. Lakshmi	---	0.79	0.79
4	Mr. A. Divakar	---	1.09	1.09
5	Mr. T. Sivarama Prasad	---	0.75	0.75
6	Mr. T. Bapaiah Chowdary	---	1.19	1.19
7	Mrs. T. Pavana Devi	---	0.79	0.79

- (i) **Details of fixed component and performance linked incentives, along with the performance criteria:** The Company does not have any performance linked incentives for the Executive Directors. The appointments are made for a fixed period of time on the terms and conditions in the respective resolution passed by the Members in the General Meeting.
- (ii) **Service contracts, notice period, severance fees-** Nil
- (iii) **Stock option details:** Nil

BOARD COMMITTEES

The Meetings of each of the Committees are convened by the respective Chairman of the Committees and also informed the Board about the summary of discussions held in the committee meetings. The minutes of the committee meetings are sent to all Directors individually and tabled at the respective Board / Committee Meetings.

The Company has Five (5) Committees namely Audit Committee, Nomination and Remuneration Committee, Stakeholders Relationship Committee, Corporate Social Responsibility Committee, Borrowing Committee and One (1) Sub-committee of Audit Committee namely Debtors Review Committee. The constitution, terms of reference and the functioning of the existing Committees of the Board is explained herein

AUDIT COMMITTEE

The Audit Committee is responsible for the Company's internal controls and the financial reporting process. The Committee met four times during the year i.e. on 10-06-2021, 13-08-2021, 11-11-2021 and 14-02-2022. The Chairman attended the last Annual General Meeting to answer shareholders' queries. The composition of the Audit Committee of the Board of Directors of the Company along with the details of the meetings held and attendance during the Financial Year 2021-22 are detailed below.

Name	Category	Position	No of Meetings held	No of Meetings attended
Mr. A. Divakar	Non Executive & Independent Director	Chairman	4	4
Dr. T. Hanuman Chowdary	Non Executive & Independent Director	Member	4	4
*Mr. SSR. Koteswara Rao	Non Executive & Independent Director	Member	4	0
**Mr. T. Sivarama Prasad	Non Executive & Independent Director	Member	4	2
Mr. T. Bapaiah Chowdary	Non Executive & Non-Independent Director	Member	4	4

i) *Mr. SSR Koteswara Rao vacated the office of Director w.e.f.11-11-2021 as per Companies Act, 2013 and Rules made thereunder. ii) **Mr. T. Sivarama Prasad has been appointed as an Independent Director (Non-Executive and Independent) in the Annual General Meeting held on 30th July, 2021 and appointed as an Audit Committee Member w.e.f. 13-08-2021.

Brief Description of Terms of reference is as follows:

- Overseeing the Company's financial reporting process and disclosure of its financial information.
- Review of financial statements before submission to the Board for approval.
- Recommend to the Board the appointment, re-appointment, remuneration and terms of appointment of auditors, fixation of audit fees.
- Review the performance of the internal and statutory auditors.
- Review the adequacy of the internal audit function and the adequacy and efficacy of the internal control systems.
- Evaluate internal financial controls and risk management systems.

BORROWING COMMITTEE

During the Period under review, in the Board Meeting held on 17-09-2021 a Borrowing Committee has been constituted to delegate borrowing powers to this Committee up to a maximum amount of Rs.25 Crores from the lenders at any time in a single tranche not exceeding of Rs.5 Crores and to enter into various agreements with the various Bodies Corporates, Companies whether under same management or not, Banks, Financial Institutions, Firms and Individuals, on behalf of the Company and to authorise any other person(s) to do all such acts as may be required for the said purpose.

During the year two Borrowing Committee meetings were held on 01st November, 2021 and 27th January, 2022. The composition of the Borrowing Committee of the Board of Directors of the Company along with the details of the meetings held and attendance during the Financial Year 2021-22 are detailed below:

Name	Category	Position	No of Meetings held	No of Meetings attended
Mr. T. Gopichand	Chairman & Managing Director	Chairman	2	2
Mr. T. Sivarama Prasad	Non-Executive & Independent Director	Member	2	2
Mrs. T. Pavana Devi	Non-Executive & Non-Independent Director	Member	2	2

DEBTORS REVIEW COMMITTEE

During the Period under review, in the Board Meeting held on 13-08-2021 a sub-committee of Audit Committee has been constituted as follows, as recommended by the Audit Committee to evaluate, review and report to the Audit Committee periodically, the Credit Loss Allowance Reserve provided on such long pending, overdue, outstanding amounts from the Debtors of the Company and to take such action may deem fit to collect the outstanding amounts at the earliest. During the year, One Debtors Review Committee meeting was held on 07th September, 2021. The composition of the Debtors Review Committee of the Board of Directors of the Company along with the details of the meetings held and attendance during the Financial Year 2021-22 are detailed below:

Name	Category	Position	No of Meetings held	No of Meetings attended
Mr. A. Divakar	Non-Executive & Independent Director	Chairman	1	1
Mr. T. Sivarama Prasad	Non-Executive & Independent Director	Member	1	1
Mr. T. Gopichand	Chairman & Managing Director	Member	1	1
Mr. O. Babu Reddy	Chief Financial Officer	Member	1	1

STAKEHOLDERS RELATIONSHIP COMMITTEE

The Stakeholders' Relationship Committee (SRC) comprises of three Members of which one member is an Independent Director. The Committee is governed by the following terms of reference:

- Resolving the grievances of the security holders of the Company including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.
- Review of measures taken for effective exercise of voting rights by shareholders.
- Review of adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar & Share Transfer Agent.
- Review of the various 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.

During the year, One SRC Committee meeting was held on 14th February, 2022. The composition of the SRC Committee along with the details of the meetings held and attendance during the financial year 2021-22 are detailed below:

Name	Category	Position	No of Meetings held	No of Meetings attended
Mr. T. Bapaiah Chowdary	Non-Executive Director	Chairman	1	1
Dr. T.V. Lakshmi	Non-Executive & Independent Director	Member	1	1
Mrs. T. Pavana Devi	Non-Executive Director	Member	1	1

During the year 2 Complaint/Query of general nature (non-receipt of Annual Reports, Service/delivery of Annual Report) received from the shareholders were attended promptly and replied/resolved to the satisfaction of the concerned shareholder. There are no pending complaints at the close of the financial year. The Company designated a separate email ID for investor grievances viz: info@terasoftware.in

Compliance Officer Name and Address

Mr. Ch. Mallikarjuna, Company Secretary & Compliance Officer, Tera Software Limited,
 # 8-2-293/82/A/1107, Plot No. 1107, Road No. 55, Jubilee Hills, Hyderabad – 500033.
 E-mail: companysecretary@terasoftware.in

NOMINATION AND REMUNERATION COMMITTEE

The Nomination and Remuneration Committee comprises of three Members of which 2 members are Independent Directors. The Committee is governed by the following terms of reference:

- Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal.
- Formulation of criteria for evaluation of Independent Directors and the Board;
- 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;
- Devising a policy on Board diversity.

The composition of the NRC Committee along with the details of the meetings held and attended during the financial year 2021-22 are detailed below. During the year under review, 2 NRC Committee meetings were held on 10th June, 2021 and 14th February, 2022:

Name	Category	Position	No of Meetings held	No of Meetings attended
Dr. T. Hanuman Chowdary	Non-Executive & Independent Director	Chairman	2	2
Dr. T.V. Lakshmi	Non-Executive & Independent Director	Member	2	2
Mr. T. Bapaiah Chowdary	Non-Executive Director	Member	2	2

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

The Company has constituted a Corporate Social Responsibility (CSR) Committee as required under Section 135 of the Companies Act, 2013 and Rules made there under with the following terms of reference:

- Formulate and recommend to the Board, a CSR Policy indicating the activity or activities to be undertaken by the Company as specified in Schedule VII of the Companies Act, 2013.
- Recommend the amount to be incurred on the CSR activities.
- Monitor implementation and adherence to the CSR Policy of the Company periodically.
- Such other matters and functions as may be determined from time to time.

The CSR policy of the Company is available on our website, www.terasoftware.com under investors section. The composition of the CSR Committee along with the details of the meetings held and attended during the financial year 2021-22 are detailed below. During the financial year 2021-22 Two (2) CSR Committee meetings were held on 10th June, 2021 and 11th November, 2021:

Name	Category	Position	No of Meetings held	No of Meetings attended
Dr. T. Hanuman Chowdary	Non-Executive & Independent Director	Chairman	2	2
Mr. A. Divakar	Non-Executive & Independent Director	Member	2	2
Mr. T. Gopichand	Executive Director	Member	2	2
Mrs. T. Pavana Devi	Non-Executive Director	Member	2	2

RISK MANAGEMENT COMMITTEE

The Company has voluntarily formed Risk Management Committee. The Committee has been delegated the authority by the Board to review and monitor the implementation of the risk management policy of the Company.

The composition of the Risk Management Committee along with the details of the meetings held and attendance during the financial year 2021-22 are detailed below. During the financial year 2021-22 Two (2) meetings of this Committee were held on 11-11-2021 and 14-02-2022:

Name	Category	Position	No of Meetings held	No of Meetings attended
Dr. T. Hanuman Chowdary	Non-Executive & Independent Director	Chairman	2	2
Mr. A. Divakar	Non-Executive & Independent Director	Member	2	2
Mr. T. Gopichand	Executive Director	Member	2	2
Mrs. T. Pavana Devi	Non-Executive Director	Member	2	2

During the FY 2021-22 the above Risk Management was dissolved by the Board of Directors w.e.f. 14-02-2022 due to this Committee is not mandatory to our Company as per Listing Regulations. As and when applicable to our Company, the Risk Management Committee shall be constituted. The Audit Committee review and monitor the implementation of the risk management policy of the Company.

GENERAL BODY MEETINGS

The date, time and venue of the General Meetings & Postal Ballots held during the preceding three years and the Resolution (s) passed thereat are as follows:

Annual General Meeting	Venue	Time, Day & Date	Special Resolution passed
27th AGM	Through Video Conference	30th July, 2021, Friday, 11:00 AM	<ol style="list-style-type: none"> To re-appoint Mr. Tummala Gopichand as a Vice Chairman and Director (KMP) To Sell Company's Land situated at Annaram/ Gaghillapur Village
26th AGM	Through Video Conference	31st October, 2020, Saturday 11:00 AM	Nil
25th AGM	Jubilee Hills International Center, Road No. 14, Jubilee Hills, Hyderabad, Telangana 500033	26th September, 2019 Thursday 11:00 AM	<ol style="list-style-type: none"> To re-appoint Dr. Hanuman Chowdary Tripuraneni (DIN: 00107006 AGE: 87) as an Independent Director To re-appoint Mr. Ramalingappa Shivabasappa Bakkannavar ((DIN: 00108720 AGE:77 years) as an Independent Director To re-appoint Mr. Surapaneni Sree Rama Koteswara Rao (DIN: 00964290 AGE: 76) as an Independent Director To re-appoint Mrs. Thozuvanoor Vellat Lakshmi (DIN: 00003020 AGE: 60) as an Independent Director

Means of Communication

The quarterly unaudited results are announced within the time limit specified under listing agreement. The aforesaid financial results are sent to BSE & NSE and also uploaded on the Company's website www.terasoftware.com immediately after being approved by the Board. The results are thereafter published in the leading National newspaper namely Financial Express in English and regional newspaper namely Nava Telangana in telugu language.

The audited financial statements form part of the Annual Report which is sent to the Members well in advance of the Annual General Meeting. The Company also informs by way of intimation to BSE & NSE and placing on its website all price sensitive matters or such other matters, which in its opinion are material and of relevance to the members.

General Shareholder Information

a)	AGM - Date, Time and Venue	Saturday, the 24th day of September, 2022 at 12:30 PM at Jubilee Ridge Hotel, Plot No.38 & 39, Kavuri Hills, 100ft Road, Madhapur, Jubilee Hills, Hyderabad-500033, Telangana, India
b)	Financial Year	1st April, 2021 to 31st March, 2022.
c)	Date of Book Closure	Saturday, 17 th September, 2022 to Friday, 23 rd September, 2022 (both days inclusive)
d)	Listing on stock exchanges	BSE Limited , Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai-400001. National Stock Exchange of India Ltd. , Exchange Plaza, C-1, Block G, Bandra-kurla Complex, Bandra (East), Mumbai-400051.
e)	Scrip Code/Symbol	BSE: 533982 NSE: TERASOFT
f)	Company's ISIN	INE482B01010

g) Market Price Data

The monthly high and low stock quotations during the Financial Year 2021-22 in BSE & NSE are given below

Month & Year	BSE-Price			BSE-SENSEX			NSE-Price			NIFTY50		
	High Price	Low Price	Close Price	High Price	Low Price	Close Price	High Price	Low Price	Close Price	High Price	Low Price	Close Price
Apr-2021	43.50	33.00	37.40	50375.77	47204.50	48782.36	43.60	33.05	37.20	15044.35	14151.40	14894.90
May-2021	49.70	36.90	45.90	52013.22	48028.07	51937.44	49.65	36.95	45.50	15606.35	14416.25	15582.80
Jun-2021	62.95	43.50	56.15	53126.73	51450.58	52482.71	62.00	43.25	55.85	15915.65	15450.90	15869.25
Jul-2021	85.00	54.50	65.55	53290.81	51802.73	52586.84	85.00	54.00	63.80	15962.25	15513.45	15924.20
Aug-2021	73.90	46.45	52.30	57625.26	52804.08	57552.39	73.75	46.60	53.15	17153.50	15834.65	17132.20
Sep-2021	53.40	47.05	51.95	60412.32	57263.90	59126.36	53.60	46.60	52.50	17947.65	17055.05	17855.10
Oct-2021	66.20	47.95	49.50	62245.43	58551.14	59306.93	66.85	47.65	49.15	18604.45	17452.90	18477.05
Nov-2021	54.50	43.70	44.60	61036.56	56382.93	57064.87	54.40	42.20	44.80	18210.15	16782.40	18109.45
Dec-2021	58.60	44.05	50.25	59203.37	55132.68	58253.82	57.50	44.30	50.30	17639.50	16410.20	17516.85
Jan-2022	60.70	49.05	53.25	61475.15	56409.63	58014.17	59.00	49.00	53.10	18350.95	16836.80	18308.10
Feb-2022	59.95	42.80	47.25	59618.51	54383.20	56247.28	60.00	42.05	47.45	17794.60	16203.25	17780.00
Mar-2022	50.90	42.30	44.65	58890.92	52260.82	58568.51	51.05	38.30	44.60	17559.80	15671.45	17498.25

h) Share Price Performance in comparison to Broad Based Indices BSE Sensex and NSE Nifty as on 31st March, 2022

Particulars	Share Price v/s NSE		Share Price v/s BSE	
	Share Price in Rs.	Nifty50	Share Price in Rs.	BSE Sensex
As on 1st April, 2021	37.20	14894.90	37.40	48782.36
As on 31st March, 2022	44.60	17498.25	44.65	58568.51
Changes (%)	19.89	17.47	19.38	20.06



i) Registrars and Transfer Agents (RTA)

KFin Technologies Limited

Karvy Selenium Tower B,

Plot 31 & 32, Financial District, Gachibowli

Nanakramguda, Serilingampally Mandal,

Hyderabad – 500032

Tel: 040 6716 1606

Toll Free No: 1800-3454-001

E-mail: einward.ris@kfintech.com

Website: <https://www.kfintech.com/>

j) Share transfer system

The Company's shares are in Demat mode. The shares received for transfer in physical mode are registered and returned within a period of 15 days from the date of receipt, if the documents are clear in all respects.

The Company appointed M/s. KFin Technologies Limited as the Registrar and Transfer Agents for dealing with all the activities connected with both physical and Demat segments pertaining to the share transactions of the Company.

k) Distribution of Shareholding as on 31st March, 2022

Category (Shares)	No. of Cases	% of Cases	Amount	% to equity
1-5000	15201	87.90	16744300.00	13.38
5001 - 10000	1128	6.52	9104800.00	7.28
10001 - 20000	522	3.02	7983750.00	6.38
20001 - 30000	149	0.86	3839770.00	3.07
30001 - 40000	87	0.50	3094690.00	2.47
40001 - 50000	49	0.28	2263980.00	1.81
50001 - 100000	92	0.53	6727670.00	5.38
100001 & Above	65	0.38	75359790.00	60.23
Total:	17293 (Without grouping)	100.00	125118750.00	100.00

l) Shareholding Pattern as on 31st March, 2022

Sl. No	Category of Shareholder	No. Share-holders	Total Shares	% of Total Shares
A	Shareholding of Promoter & Promoter Group			
	Indian			
	Individuals/Hindu Undivided Family	8	5947327	47.53
	Foreign	Nil	Nil	Nil
B	Public Shareholding:			
	Institutions:			
	Financial Institutions/Banks	1	100	0.00
	Non-Institutions:			
	Bodies Corporate	63	269540	2.15
	Individual shareholders holding nominal share capital up to Rs. 2 lakhs.	16501	5179349	41.40

Sl. No	Category of Shareholder	No. Share-holders	Total Shares	% of Total Shares
	Individual shareholders holding nominal share capital in excess of Rs. 2 lakhs.	15	796113	6.36
	NBFCs Registered with RBI	0	0	0.00
	Clearing Members	30	45914	0.37
	Non Resident Indians	107	154715	1.24
	Non Resident Indians-Non Repatriable	51	40902	0.33
	Investor Education & Protection Fund (IEPF)	1	77915	0.62
	Total:	16777	12511875	100.00

m) Shareholders holding more than 1% of shares as on 31st March, 2022

Sl.No	Name of the Shareholder	No. of Equity Shares	% of Shareholding
1	Raja Sekhar Tummala	2824617	22.58
2	Tummala Gopichand	1196554	9.56
3	Madhu Mitra Tummala	841308	6.72
4	Tummala Pavana Devi	574760	4.59
5	N Sri Durga	226537	1.81
6	Pravin N Gala HUF	179713	1.44
7	Mahendra Giridharilal	156209	1.25
8	T. Seetharamamma	136875	1.09
	Total:	6136573	49.04

n) Dematerialization of Shares & Liquidity

The Company's shares are traded in dematerialized form and are available for trading on both the depositories, viz. National Securities Depository Ltd., (NSDL) and Central Depository Services (India) Ltd., (CDSL).

Details of shares held in physical and dematerialized form as on 31st March, 2022:

Mode of Holding	Cases	No. of Shares	% of Total Shares
NSDL	6659	9151633	73.14
CDSL	10522	3305144	26.42
Physical	112	55098	0.44
Total:	17293	12511875	100.00

As at the end of 31st March, 2022 total 99.56% of paid-up Equity Shares of the Company are in electronic form.

o) Outstanding GDRs/ADRs/Warrants or any other convertible instruments, conversion date and likely impact on equity:

The Company has not issued any GDRs/ADRs/Warrants/convertible debentures during the year 2021-22 and there are no outstanding convertible instruments which will impact the equity.

p) Address for correspondence and contact persons for investors' queries:

Investors' correspondence may be addressed to Mr. Ch. Mallikarjuna, Company Secretary & Compliance Officer, at the Registered Office of the Company at 8-2-292/82/A/1107, Plot No.1107, Road No: 55, Jubilee Hills, Hyderabad – 500 033, Tel: 040-23547447; E-mail: Companysecretary@terasoftware.in

q) Policies of the Company with regard to related party transactions are available at <http://terasoftware.com/investors/related-party-transaction-policy/>

r) Outstanding of unclaimed dividend amounts:

In terms of Section 124 of the Companies Act, 2013, the Company is required to transfer the amount of dividend remaining unclaimed for a period of seven years from the date of transfer to the unclaimed dividend account to the Investor Education and Protection Fund (IEPF). Members are requested to claim their dividend(s) if any, unclaimed from the Company before transfer to the Investor Education and Protection Funds.

Further, pursuant to Section 124(6) of the Act read with relevant rule of Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 (“IEPF Rules”), the Company had transferred unclaimed dividend for the F.Y. 2013-14 of Rs. 1,69,048/- and 8,725 unclaimed equity shares to Investor Education and Protection Fund. Members are further requested to note that on completion of 7 years, no claims shall lie against the said fund or Company for the amounts of dividend so transferred, nor shall any payment be made in respect of such claims. Shareholders may note that both the unclaimed dividend and the shares transferred to IEPF including all benefits accruing on such shares, if any, can be claimed back from IEPF after following the procedure prescribed in the Rules.

Details of outstanding amount of unclaimed dividend lying in Unpaid Dividend Account as on 31st March, 2022.

Financial year	Date of declaration of Dividend	Amount remaining Unclaimed as on 31.03.2021 (in Rs.)	Last date for claiming unpaid dividend amount (on or before)	Last date for transfer to IEPF
2014-15	30/09/2015	140,320	06/11/2022	06/12/2022
2015-16	30/09/2016	243,264	06/11/2023	06/12/2023

Other Disclosures

- i. **Related party transactions:** There are no materially significant related party transactions during the year 2021-22 that has potential conflict of interest with the interest of Company at large.
- ii. There was no non-compliance by the Company for which penalties or strictures imposed on the Company by Stock Exchanges or SEBI or any statutory authority on any matter related to Capital Markets, during the last three years.
- iii. The Chairman & Managing Director and the Chief Financial Officer have given certification in accordance with Regulation 17(8) of the SEBI (LODR) Regulations, 2015 for the Financial Year ended 31st March, 2022.
- iv. **The Company has a Whistle-Blower Policy** for establishing a vigil mechanism for Directors and employees to report genuine concerns regarding unethical behavior, actual or suspected fraud or violation of the Company's code of conduct and ethics Policy. The said mechanism also provides for direct access to the Chairperson of the Audit Committee in appropriate or exceptional cases. During the year, no employee of the Company was denied access to the Audit Committee. The said policy has been uploaded on the website of the Company at <http://terasoftware.com/investors/vigil-blower-policy/>.

v. Prohibition of Insider Trading

The Company has adopted a Code of Conduct for Prevention of Insider Trading with a view to regulate trading in securities by the Directors and designated employees of the Company. The code provides for periodical disclosures from Directors and designated employees as well as pre-clearances of transactions by such persons.

vi. The status on the compliance with the non-mandatory recommendation in the SEBI Regulations is as under

- The Chairman of the Board is an Executive Director.
- During the year under review, there is no audit qualification in the Company's financial statements.
- The Internal Auditor directly reports to the Audit Committee.

vii. **SEBI Complaints Redressal System (SCORES):** SEBI has initiated SCORES for processing the investor complaints in a centralized web-based redress system and online redressal of all the shareholders complaints. The Company is in compliance with the SCORES and redressed the shareholders complaints well within the stipulated time.

viii. **NSE Electronic Application Processing System (NEAPS), & BSE Corporate Compliance & Listing Centre (the 'Listing Centre'):** The NEAPS, digital exchange website & BSE's Listing Centre are web-based application designed by BSE & NSE for corporate. All periodical compliance filings like shareholding pattern, corporate governance report, investor's complaints, media releases, among others are filed electronically on NEAPS & Listing.bseindia.com.

ix. As on 31st March, 2022, the Disclosures of the compliance with Corporate Governance requirements specified in regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 are as follows:

Regulation	Particulars of Regulation	Compliance Status (Yes/No)
17	Board of Directors	Yes
18	Audit Committee	Yes
19	Nomination and Remuneration Committee	Yes
20	Stake Holders Relationship Committee	Yes
21	Risk Management Committee	NA
22	Vigil Mechanism	Yes
23	Related Party Transactions	Yes
24	Corporate Governance requirement with respect of Subsidiary of Listed entity	NA
25	Obligation with respect to Independent Director	Yes
26	Obligation with respect to Directors and Senior Management	Yes
27	Other Corporate Governance Requirement	Yes
46(2)(b)to(i)	Website	Yes

For and on behalf of the Board of Directors

Place: Hyderabad
 Date: 12th August, 2022

Tummala Gopichand
Chairman and Managing Director
DIN: 00107886

UDIN: F007976D000436206

Form No. MR-3

SECRETARIAL AUDIT REPORT**FOR THE FINANCIAL YEAR ENDED 31.03.2022**

[Pursuant to Section 204(1) of the Companies Act, 2013 and rule no.9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To,
The Members,
Tera Software Limited
MCH No. 8-2-293/82/A/1107, Road No-55
Plot No-1107, Jubilee Hills, Hyderabad-500033.
Telangana

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Tera Software Limited (hereinafter referred as 'the Company'). The Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my 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 31st March, 2022 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 31st March, 2022 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; **[The Listed entity didn't take any action which attracts the provisions of these Regulations 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 as amended from time to time;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; **[The Listed entity didn't take any action which attracts the provisions of these Regulations during the period under review]**

- (d) The Securities and Exchange Board of India (Listing Obligations & Disclosure Requirements) Regulations, 2015;
- (e) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; **[The Listed entity didn't take any action which attracts the provisions of these Regulations during the period under review]**
- (f) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **[The Listed entity didn't take any action which attracts the provisions of these Regulations during the period under review]**
- (g) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- (h) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; **[The Listed entity didn't take any action which attracts the provisions of these Regulations during the period under review]**
- (i) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; **[The Listed entity didn't take any action which attracts the provisions of these Regulations during the period under review]**
- (vi) The IEPF & Misc. Provisions Act, 1952;
- (vii) Other Laws applicable specifically to the Company, namely:
- Information Technology Act, 2000;
 - The Micro, Small and Medium Enterprises Development Act, 2006

We have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India with respect to the Board and General Meetings.
- (ii) The Listing Agreements entered into by the Company with BSE (Bombay Stock Exchange) & NSE (National Stock Exchange) read with the Securities Exchange Board of India (Listing Obligations & Disclosure Requirements) Regulations, 2015.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

We further report that

- i. 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.
- ii. Adequate notice is given to all directors to schedule the Board Meetings, including Committees thereof, along with the agenda and detailed notes on agenda were sent at least seven days in advance, 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.
- iii. Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

We further report that 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.

**For C V REDDY K & ASSOCIATES
COMPANY SECRETARIES**

Sd/-

C V REDDY K

COMPANY SECRETARY IN PRACTICE

Place: Hyderabad

M NO: 7976

Date: 30-05-2022

CP NO: 8998

This report is to be read with our letter of even date which is annexed as 'Annexure A' and forms an integral part of this report.

'Annexure A'

To,

The Members

Tera Software Limited

8-2-293/82/A/1107, Road No-55 Plot No-1107,
Jubilee Hills, Hyderabad-500033. Telangana.

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 various Environmental Laws, Labour Laws 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 future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

**For C V REDDY K & ASSOCIATES
COMPANY SECRETARIES**

Sd/-

C V REDDY K

COMPANY SECRETARY IN PRACTICE

M NO: 7976

CP NO: 8998

Place: Hyderabad

Date: 30-05-2022

UDIN: FO07976D000381503

**Annual Secretarial Compliance Report as per
Regulation 24A of SEBI (Listing Obligation and
Disclosure Requirements) Regulations for the
year ended 31st March, 2022**

To,

The Members,

Tera Software Limited

8-2-293/82/A/1107, Road No-55, Plot No-1107,
Jubilee Hills, Hyderabad-500033.

**ANNUAL SECRETARIAL COMPLIANCE REPORT
OF TERA SOFTWARE LIMITED FOR THE YEAR
ENDED 31ST MARCH, 2022**

[under Regulation 24A of Securities and
Exchange Board of India (Listing Obligations and
Disclosure Requirements) Regulations, 2015]

We C.V. Reddy K & Associates, Practicing Company
Secretaries have examined:

- (a) all the documents and records made available to us and explanation provided by Tera Software Limited (“the listed entity”),
- (b) the filings/ submissions made by the listed entity to the stock exchanges,
- (c) website of the listed entity,
- (d) any other document/ filing, as may be relevant, which has been relied upon to make this certification,

for the year ended 31st March, 2022 (“Review Period”) in respect of compliance with the provisions of:

- (a) the Securities and Exchange Board of India Act, 1992 (“SEBI Act”) and the Regulations, circulars, guidelines issued thereunder; and
- (b) the Securities Contracts (Regulation) Act, 1956 (“SCRA”), rules made thereunder and the Regulations, circulars, guidelines issued thereunder by the Securities and Exchange Board of India (“SEBI”);

The specific Regulations, whose provisions and the circulars/ guidelines issued thereunder, have been examined, include:-

- (a) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
- (b) Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; Not Applicable
- (c) Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- (d) Securities and Exchange Board of India (Buy-back of Securities) Regulations, 2018; Not Applicable
- (e) Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; Not Applicable
- (f) Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; Not Applicable
- (g) Securities and Exchange Board of India (Issue and Listing of Non- Convertible and

Redeemable Preference Shares) Regulations, 2013; Not Applicable

- (h) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- (i) Securities and Exchange Board of India (Registrars to an issue and share transfer agents) Regulations 1993
- (j) Securities and Exchange Board of India (Depositories and Participants) Regulations 2018;

and circulars/ guidelines issued thereunder;

and based on the above examination, I/We hereby report that, during the Review Period:

- (a) The listed entity has complied with the provisions of the above Regulations and circulars/ guidelines issued thereunder.
- (b) The listed entity has maintained proper records under the provisions of the above Regulations and circulars/ guidelines issued thereunder insofar as it appears from our examination of those records.
- (c) There were no actions taken against the listed entity/ its promoters/ directors either by SEBI or by Stock Exchanges (including under the Standard Operating Procedures issued by SEBI through various circulars) under the aforesaid Acts/ Regulations and circulars/ guidelines issued thereunder:
- (d) There were no observations made in previous reports for which any action need to be taken by the listed entity:

**For C V REDDY K & ASSOCIATES
COMPANY SECRETARIES**

Sd/-

C V REDDY K

COMPANY SECRETARY IN PRACTICE

M NO: 7976

CP NO: 8998

Place: Hyderabad

Date: 30-05-2022

Annexure - II

REPORT ON CORPORATE SOCIAL RESPONSIBILITY

**As per rule 8 of companies (Corporate Social Responsibility Policy) Rules, 2014
For the Financial Year 2021-22**

1. Brief outline on CSR Policy of the Company:

Tera Software Limited (Company) believes that CSR plays an important role in an organization's existence and sustained growth. Inline with this, Tera Software Limited would be carrying out CSR activities to build a better, sustainable way of life for the weaker sections of society and to promote the Education. CSR programmes, projects and activities are independent from the normal business activities of the Company. The core areas of CSR activities are:

- Promotion of education including special education and employment enhancing vocational skills
- Eradicating hunger, Poverty and malnutrition, promoting healthcare and sanitation
- Providing drinking water to weaker sections and to the children at government schools.
- Contribution to the Prime Minister's National Relief Fund or any other fund setup by the Central Government or the State Governments for social economic development and relief.
- Environment protection, animal welfare, agro forestry, conservation of natural resources.

2. Composition of CSR Committee:

S.No	Name of Director	Designation/ Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Dr. T. Hanuman Chowdary	Chairman (Non-Executive & Independent Director)	2	2
2	Mr. Divakar Atluri	Member (Non-Executive & Independent Director)	2	2
3	Mr. T. Gopichand	Member (Chairman & Managing Director)	2	2
4	Mrs. T. Pavana Devi	Member (Non-Executive Director)	2	2

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. - www.terasoftware.com

4. Details of Impact assessment of CSR projects carried out in pursuance of sub-rule(3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable (attach the report). - NOT APPLICABLE

5. Details of the amount available for set off in pursuance of sub-rule(3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any

Sl. No.	Financial Year	Amount available for set-off from preceding financial years (in Rs.)	Amount required to beset-off for the financial year, if any (in Rs.)
Nil			

6. Average net profit of the Company as per section 135(5): 582.38 (In lakhs)

Particulars	For the Financial year ended 31st March		
	2021	2020	2019
Net Profit	152.72	986.50	596.26
Average Net profit for the preceding three financial years	582.38		

7. (a) Two percent of average net profit of the Company as per section 135(5) - Rs.11,64,761/-
 (b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years - NIL
 (c) Amount required to be set off or the financial year, if any -NIL
 (d) Total CSR obligation for the financial year (7a+7b-7c) -Rs.11,64,761/-
8. (a) CSR amount spent or unspent for the financial year 2021-22:

Total Amount Spent for the Financial Year (in Rs.)	Amount Unspent (in ₹)				
	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 section 135(5)		
	Amount in Rs.	Date of transfer	Name of the Fund	Amount	Date of transfer
4,10,000/-	7,54,761/-	30-04-2022	NA	Nil	NA

Intentionally Kept Blank

(b) Details of CSR amount spent against ongoing projects for the financial year 2021-22:

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	
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	Project duration	Amount allocated for the project (in ₹)	Amount spent in the current financial Year (in ₹)	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in Rs.)	Mode of Implementation - Direct (Yes/No)	Mode of Implementation - Through Implementing Agency	
				State	District					Name	CSR Registration number
1.	Modernization/ renovation of Funeral Cremation ground, Tenali	Ensuring environmental sustainability, ecological balance, conservation of natural resources and maintaining quality of soil, air and water	Yes	Andhra Pradesh	Two Years Guntur	7,64,761/-	10,000	7,54,761/-	Yes	NA	NA

(c) Details of CSR amount spent against other than ongoing projects for the financial year 2021-22:

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	
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		Amount spent for the project (in Rs.)	Mode of Implementation - Direct (Yes/No)	Mode of Implementation - Through Implementing Agency	
				State	District			Name	CSR Registration number
1.	Carona awareness Programme conducted by KVBR Walker's Association	Promoting health care including preventive health care	Yes	Telangana	Hyderabad	1,00,000	Yes	NA	NA
2.	Contribution for construction of an Auditorium in Girls High School, Angalur Village	Promoting health care including preventive health care	Yes	Andhra Pradesh	1 Year Krishna District	3,00,000	No	Sri Hanuman Education and Culture Trust	CSR00018766

(d) Amount spent in Administrative Overheads: Nil

(e) Amount spent on Impact Assessment, if applicable: Nil

(f) Total amount spent for the Financial Year (8b+8c+8d+8e): Rs.4,10,000/-

(g) Excess amount for set off, if any: Nil

9. a) Details of Unspent CSR amount for the preceding three financial years:

Sl No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under section 135 (6) (in Rs.)	Amount spent in the reporting Financial Year (in ₹)	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any			Amount remaining to be spent in succeeding financial years (in Rs.)
				Name of the Fund	Amount (in Rs.)	Date of transfer	
1	2019-20	12,08,715/-	12,08,715/-	NA	Nil	NA	Nil
2	2018-19	7,71,587/-	7,71,587/-	NA	Nil	NA	Nil
3	2017-18	20,58,000/-	20,58,000/-	NA	Nil	NA	Nil

b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s):

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Sl. No	Project ID	Name of the Project	Financial Year in which the project commenced	Project duration	Total amount allocated for the project (in ₹)	Amount spent on the project in the reporting Financial Year (in ₹)	Cumulative amount spent at the end of reporting Financial Year (in ₹)	Status of the project - Completed /Ongoing
1	Promotion of Education Development Project	Contribution for construction of Convention Hall for Siddaganga Institute of Technology (SIT) Campus through SITAA-CSR00008804	2020-21	1 Year	25,00,000	25,00,000	25,00,000	Completed
2	Rural development projects	Drainage and Sewage works at Gagillapur village, Dindigal, Gandimaisamma Mandal, Medchal Malkajiri District and Annaram Village, Gummadidala Mandal, Sangareddy District.	2020-21	1 Year	15,38,302/-	15,38,302/-	15,38,302/-	Completed

10. In case of creation or acquisition of capital asset, furnish the details relating to the assets created or acquired through CSR spent in the financial year (asset-wise details):
- (a) Date of creation or acquisition of the capital asset(s): Not Applicable
 - (b) Amount of CSR spent for creation or acquisition of capital asset: Not Applicable
 - (c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.: Not Applicable
 - (d) Details of the capital asset(s) created or acquired (including complete address and location of the capital asset): Not Applicable
11. Reason(s), if the Company has failed to spend two per cent of the average net profit as per section 135(5) - Due to Projects are ongoing projects and the requirement of funds to spend on the Projects identified are slow down due to post Pandemic circumstances. Hence, the implementation of the project activities was in slow move.

For and on behalf of the Board of Directors

Tummala Gopichand
Chairman and Managing Director
DIN: 00107886

Place: **Hyderabad**

Date: **12th August, 2022**

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Annexure-E**Form No. MGT-9****EXTRACT OF ANNUAL AS ON THE FINANCIAL YEAR ENDED ON 31ST MARCH, 2022**

[Pursuant to Section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

i.	CIN	L72200TG1994PLC018391
ii.	Registration Date	26/09/1994
iii.	Name of the Company	Tera Software Limited
iv.	Category / Sub-Category of the Company	Company limited by Shares/Indian Non-Government Company
v.	Address of the Registered office and contact details	#8-2-293/82/A/1107, Road No: 55, Plot No: 1107, Jubilee Hills, Hyderabad-500033, Telangana. Tel: 040-23547447, 040 - 23547448 Fax : 040 - 23547449 Email: info@terasoftware.in; Website: www.terasoftware.com
vi.	Whether listed company (Yes / No)	Yes (BSE & NSE)
vii.	Name, Address and Contact details of Registrar and Transfer Agent, if any	KFin Technologies Limited Selenium Tower B, Plot 31 & 32, Gachibowli, Financial District, Nanakramguda, Serilingampally Mandal, Hyderabad – 500032 Contact Person: Mohammed Shanoor Officer-Corporate Registry Toll free Number: 1-800-309-4001 Email: einward.ris@kfintech.com Website: www.kfintech.com and /or https://ris.kfintech.com

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10% or more of the total turnover of the company shall be stated:-

Sl. No	Name and Description of main products/services	NIC Code of the Product/Service	% to total turnover of the Company
1	IT & Integrated related services	6201	100%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES -

Sl. No	Name and Address of the company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
NIL					

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)
(I) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year (1 st April, 2021)				No. of Shares held at the end of the year (31 st March, 2022)				%Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
1) Indian									
a) Individual/HUF	5948327	--	5948327	47.54	5947327	--	5947327	47.53	(0.01)
b) Central Govt.	--	--	--	--	--	--	--	--	--
c) State Govt.(s)	--	--	--	--	--	--	--	--	--
d) Bodies Corp	--	--	--	--	--	--	--	--	--
e) Banks / FI	--	--	--	--	--	--	--	--	--
f) Any Other	--	--	--	--	--	--	--	--	--
Sub-total(A)(1): -	5948327	--	5948327	47.54	5947327	--	5947327	47.53	(0.01)
2) Foreign									
a) Individuals (Non-Residents Individuals/Foreign Individuals	--	--	--	--	--	--	--	--	--
b) Government	--	--	--	--	--	--	--	--	--
c) Institutions	--	--	--	--	--	--	--	--	--
d) Foreign Portfolio Investor	--	--	--	--	--	--	--	--	--
e) Any Other....	--	--	--	--	--	--	--	--	--
Sub-total(A)(2): -	--	--	--	--	--	--	--	--	--
Total shareholding of Promoter (A) = (A)(1)+(A)(2)	5948327	--	5948327	47.54	5947327	--	5947327	47.53	(0.01)
B. Public Shareholding									
1) Institutions									
a) Mutual Funds									
b) Venture Capital Funds	--	--	--	--	--	--	--	--	--
c) Alternate Investment Funds	--	--	--	--	--	--	--	--	--
d) Foreign Venture Capital Investors	--	--	--	--	--	--	--	--	--
e) Foreign Portfolio Investors	--	--	--	--	--	--	--	--	--
f) Financial Institutions / Banks	100	--	100	0	100	--	100	0	0.00
g) Insurance Companies	--	--	--	--	--	--	--	--	--
h) Provident Funds/Pension Funds	--	--	--	--	--	--	--	--	--
i) Any other	--	--	--	--	--	--	--	--	--

Sub-total(B)(1)	100	--	100	0	100	--	100	0	0.00
2. Central Government/State Government(s)/President of India	--	--	--	--	--	--	--	--	--
Sub-total(B)(2)	--	--	--	--	--	--	--	--	--
3. Non-Institutions	0	0	0	0	0	0	0	0	0
a) Bodies Corporate	261224	--	261224	2.09	269540	--	269540	2.15	0.06
b) Individuals									
(i) Individuals holding nominal share capital upto Rs. 2 lakhs	4833253	60891	4894144	39.12	5124251	55098	5179349	41.40	2.28
(ii) Individuals holding nominal share capital in excess of Rs. 2 lakhs	1097006	--	1097006	8.76	796113	--	796113	6.36	(2.40)
c) Others	--	--	--	--	--	--	--	--	--
NBFC's registered with RBI	--	--	--	--	--	--	--	--	--
Employee Trusts	--	--	--	--	--	--	--	--	--
Overseas Depositories	--	--	--	--	--	--	--	--	--
Trusts	--	--	--	--	--	--	--	--	--
Non-Resident Indians	165685	--	165685	1.32	154715	--	154715	1.24	(0.08)
Clearing Members	41725	--	41725	0.33	45914	--	45914	0.37	0.04
NRI Non-Repatriable	35050	--	35050	0.28	40902	--	40902	0.33	0.05
IEPF	68614	--	68614	0.55	77915	--	77915	0.62	0.07
d) Qualified Foreign Investor	--	--	--	--	--	--	--	--	--
Sub-Total B(3):	6502557	60891	5205218	52.46	6509350	55098	6564448	52.47	0.01
Total B=B(1)+B(2)+B(3):	6502657	60891	5205318	52.46	6509450	55098	6564548	52.47	0.01
Total (A+B):	12450984	60891	12511875	100.00	12456777	55098	12511875	100.00	0.00
C. Shares held by custodians for GDRs & ADRs	--	--	--	--	--	--	--	--	--
Grand Total (A+B+C):	12448884	62991	12511875	100.00	12456777	55098	12511875	100.00	0.00

(ii) Shareholding of Promoters

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year (1 st April, 2021)			Shareholding at the end of the year (31 st March, 2022)			
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	% change in share holding during the year
1.	Mr. Tummala Gopichand	1196554	9.56	74.44	1196554	9.56	74.44	--
2.	Mrs. Tummala Pavana Devi	574760	4.59	29.14	574760	4.59	29.14	--
3.	Mrs. Tummala Tulasi Rani	55000	0.44	--	54000	0.43	--	0.01
4.	Mr. Tummala Bapaiah Chowdary	92676	0.74	16.19	92676	0.74	16.19	--
5.	Ms. N Sri Durga	226537	1.81	--	226537	1.81	--	--
6.	Mr. Madhu Mitra Tummala	841308	6.72	1.09	841308	6.72	96.18	--
7.	Mrs.T. Seetharamamma	136875	1.09	--	136875	1.09	--	--
8.	Mr. Raja Sekhar Tummala	2824617	22.58	--	2824617	22.58	--	--
	Total	5948327	47.54		5947327	47.53		

(iii) Change in Promoters' Shareholding

Sl. No.	Name of the Promoter	Shareholding at the beginning of the year 1st April, 2021		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
5.	Mrs. Tummala Tulasi Rani				
	Beginning of the year (01-04-2021)	55000	0.44	--	--
	Sold on 16-07-2021	1000	0.007	54000	0.43
	End of the year (31-03-2022)	--	--	54000	0.43

(iv) Shareholding Pattern of Top Ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

TERA SOFTWARE LIMITED											
SHAREHOLDING PATTERN OF TOP 10 SHAREHOLDERS BETWEEN 31/03/2021 AND 31/03/2022											
Sl No	Folio/Dpid-Client id	Category	Type	Name of the Share Holder	Shareholding at the beginning of the Year		Date	Increase/Decrease in share holding	Reason	Cumulative Shareholding during the Year	
					No of Shares	% of total shares of the company				No of Shares	% of total shares of the company
1	AAGHP 5338C	HUF	Opening Balance	PRAVIN N GALA HUF	184313	1.47	31/03/2021			184313	1.47
			Sale				02/04/2021	-2000	Transfer	182313	1.46
			Purchase				09/04/2021	2000	Transfer	184313	1.47
			Sale				30/04/2021	-2000	Transfer	182313	1.46
			Purchase				07/05/2021	400	Transfer	182713	1.46
			Sale				21/05/2021	-3000	Transfer	179713	1.44
			Closing Balance				31/03/2022			179713	1.44
2	AAAPW 1327L	PUB	Opening Balance	MAHENDRA GIRDHARILAL	156209	1.25	31/03/2021			156209	1.25
			Closing Balance				31/03/2022			156209	1.25
3	AAXPS 0154N	PUB	Opening Balance	PARAG VIPIN SHAH	142051	1.14	31/03/2021			142051	1.14
			Sale				09/07/2021	-2500	Transfer	139551	1.12
			Sale				16/07/2021	-10000	Transfer	129551	1.04
			Sale				23/07/2021	-28115	Transfer	101436	0.81
			Sale				30/07/2021	-50757	Transfer	50679	0.41
			Sale				06/08/2021	-13284	Transfer	37395	0.30
			Sale				22/10/2021	-20000	Transfer	17395	0.14
			Closing Balance				31/03/2022			17395	0.14
4	AAAPF 7534Q	PUB	Opening Balance	RAJESH DINKAR FOWKAR	129942	1.04	31/03/2021			129942	1.04
			Purchase				02/07/2021	9000	Transfer	138942	1.11
			Sale				06/08/2021	-6000	Transfer	132942	1.06
			Sale				13/08/2021	-8000	Transfer	124942	1.00
			Sale				27/08/2021	-10000	Transfer	114942	0.92

			Sale				29/10/2021	-21300	Transfer	93642	0.75
			Sale				12/11/2021	-18000	Transfer	75642	0.60
			Sale				19/11/2021	-19200	Transfer	56442	0.45
			Sale				26/11/2021	-26442	Transfer	30000	0.24
			Sale				03/12/2021	-7000	Transfer	23000	0.18
			Sale				10/12/2021	-6000	Transfer	17000	0.14
			Sale				11/03/2022	-7000	Transfer	10000	0.08
			Sale				18/03/2022	-7000	Transfer	3000	0.02
			Closing Balance				31/03/2022			3000	0.02
5	AACCP 6862E	LTD	Opening Balance	PROTECHSOFT SYSTEMS P LTD	102507	0.82	31/03/2021			102507	0.82
			Closing Balance				31/03/2022			102507	0.82
6	AAPCS 2058G	LTD	Opening Balance	SOLTY DEAL TRADE PRIVATE LIMITED	84638	0.68	31/03/2021			84638	0.68
			Closing Balance				31/03/2022			84638	0.68
7	AIRPB9 282E	NRI	Opening Balance	ANIL GURMUKH BHAGWANI	79927	0.64	31/03/2021			79927	0.64
			Sale				11/02/2022	-17000	Transfer	62927	0.50
			Sale				25/03/2022	-1472	Transfer	61455	0.49
			Sale				31/03/2022	-7903	Transfer	53552	0.43
			Closing Balance				31/03/2022			53552	0.43
9	EXEMP TCATG	IEP	Opening Balance	INVESTOR EDUCATION AND PROTECTION FUND AUTHORITY M	68614	0.55	31/03/2021			68614	0.55
			Purchase				09/04/2021	576	Transfer	69190	0.55
			Purchase				10/12/2021	8725	Transfer	77915	0.62
			Closing Balance				31/03/2022			77915	0.62
10	AAIPF6 534A	PUB	Opening Balance	ANURADHA RAJESH FOWKAR	62322	0.50	31/03/2021			62322	0.50
			Sale				16/07/2021	-4000	Transfer	58322	0.47
			Sale				26/11/2021	-5567	Transfer	52755	0.42
			Sale				10/12/2021	-2755	Transfer	50000	0.40
			Sale				25/03/2022	-1000	Transfer	49000	0.39
			Closing Balance				31/03/2022			49000	0.39

(iv) Shareholding of Directors and Key Managerial Personnel:

SL No.	Name	Shareholding at the beginning of the year 01-04-2021		Cumulative Shareholding during the year 31-03-2022	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the company
Share Holding of KMP					
1.	Mr. T. Gopichand	11,96,554	9.56	11,96,554	9.56
2.	Mr. O. Babu Reddy, CFO	50	0.00	50	0.00
3.	Mr. Ch. Mallikarjuna, CS	-	-	-	-
Shareholding of Other Directors					
1.	Mrs. T. Pavana Devi	5,74,760	4.59	5,74,760	4.59
2.	Mr. T. Bapaiah Chowdary	92,676	0.74	92,676	0.74
3.	Dr. T.V. Lakshmi	-	-	-	-
4.	Dr. T. Hanuman Chowdary	-	-	-	-
5.	Mr. Divakar Atluri	-	-	-	-
6.	Mr. T. Sivarama Prasad	-	-	-	-

VI. INDEBTEDNESS

Indebtedness of the Company including interest outstanding / accrued but not due for payment

Amount in Rs.

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	43,82,55,490	10,28,08,578	-	54,10,64,068
ii) Interest due but not paid	-	50,81,814	-	50,81,814
iii) Interest accrued but not due	-	-	-	-
Total(i+ii+iii)	43,82,55,490	10,78,90,392	-	54,61,45,882
Change in Indebtedness during the financial year				
- Addition	-	39,72,09,334		39,72,09,334
- Reduction	69,92,430	33,60,11,483		34,30,03,914
Net Change	-69,92,430	6,11,97,851		5,42,05,421
Indebtedness at the end of the financial year				
i) Principal Amount	43,12,63,060	16,40,06,429		59,52,69,489
ii) Interest due but not paid	-	1,01,47,316		1,01,47,316
iii) Interest accrued but not due	-	-		-
Total (i+ii+iii)	43,12,63,059.83	17,41,53,745		60,54,16,805

VII. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

Sl. No.	Particulars of Remuneration	Name of MD/WTD/Manager	Total Amount
		Mr. T. Gopichand Chairman & Managing Director	
1	Gross salary		
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	84,00,000	84,00,000
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-
2	Stock Option	-	-
3	Sweat Equity	-	-
4	Commission - as % of profit - others, specify...	-	-
5	Others, please specify		-
	Total (A)	84,00,000	84,00,000
	Ceiling as per the Act	Within the limits of Para-A, Section II, Part-II of Schedule V of the Companies Act, 2013	

B. Remuneration to other directors:

Amount in Rs.

Sl. No	Particulars of Remuneration	Sitting Fee for attending the Board/Committee Meeting
1.	Independent Directors	
(i)	Dr. T. Hanuman Chowdary	1,18,000
(ii)	Dr. T.V. Lakshmi	79,000
(iii)	Mr. Divakar Atluri	1,09,000
(iv)	Mr. T. Sivarama Prasad	75,000
	Total (1)	3,81,000
2.	Other Non-Executive Directors	
(i)	Mr. T. Bapaiah Chowdary	1,19,000
(ii)	Mrs. T. Pavana Devi	79,000
	Total (2)	1,98,000
	Total B=(1+2)	5,79,000

C. Remuneration to Key Managerial Personnel other than MD / Manager / WTD

Amount in Rs.

Sl. No.	Particulars of Remuneration	Name of the KMP other than MD/WTD/Manager		
		O. Babu Reddy Chief Financial Officer	Ch. Mallikarjuna Company Secretary	Total
1.	Gross salary	15,23,000	4,85,000	20,08,000
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	--		
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	--		
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	--		
2	Stock Option	--		
3	Sweat Equity	--		
4	Commission - as % of profit - others, specify...	--		
5	Others, please specify	15,23,000	4,85,000	20,08,000

VIII. PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees Imposed	Authority [RD /NCLT/ COURT]	Appeal made, if any (give Details)
A. COMPANY					
Penalty			NONE		
Punishment					
Compounding					
B. DIRECTORS					
Penalty			NONE		
Punishment					
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty			NONE		
Punishment					
Compounding					

Annexure- F
FORM NO. AOC -2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014.

Form for Disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub section (1) of Section 188 of the Companies Act, 2013 including certain arms length transactions under third proviso thereto.

1. Details of contracts or arrangements or transactions not at Arm's length basis.

The Company has not entered into any contract or arrangement or transaction with its related parties which is not at arm's length during financial year 2021-22.

2. Details of contracts or arrangements or transactions at arm's length basis.

Sl. No	Particulars	A.	B.	C.	D.	E.	F.
a.	Name(s) of the related party and nature of relationship	Mr. T. Gopichand Chairman & Managing Director of the company	Mrs. T. Pavana Devi Wife of T. Gopichand & Director of the Company	Mr. T. Bapaiah Chowdary & Raja Enterprises: is owned and controlled by Mr. T. Bapaiah Chowdary, Director of the Company	Mr. T. Madhu Mitra (Son of Mr. T. Gopichand & Mrs. T.Pavana Devi), Mrs. T. Vindhya (Daughter-in-law of Mr. T. Gopichand & Mrs. T.Pavana Devi) & Mr. T. Girish (Son of Mr. T. Bapaiah Chowdary)	Mr. O. Babu Reddy, CFO	Mr. Ch. Mallikarjuna, Company Secretary
b.	Nature of contracts/arrangements/transactions	a) Remuneration paid b) Unsecured Loans c) Interest on Unsecured Loans	a) Sitting Fees b) Unsecured Loans c) Interest on Unsecured Loans	a) Sitting Fees	Salary	Salary	Salary
c.	Duration of the contracts/arrangements/transactions	NA	NA	NA	NA	NA	NA
d.	Salient terms of the contracts or arrangements or transactions including the value, if any:	In the normal course of business	In the normal course of business	In the normal course of business	In the normal course of business	In the normal course of business	In the normal course of business
e.	Date(s) of approval by the Board, if any:	10-06-2021	10-06-2021	10-06-2021	10-06-2021	NA	NA
f.	Amount paid as advances, if any:	Nil	Nil	Nil	Nil	Nil	Nil

For and on behalf of the Board of Directors

Place: **Hyderabad**

Date : **12th August, 2022**

Tummala Gopichand
Chairman and Managing Director
DIN: 00107886

Annexure - G**CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS**

(Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI
SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

To,
The Members,
Tera Software Limited
MCH No. 8-2-293/82/A/1107, Road No-55, Plot No-1107,
Jubilee Hills, Hyderabad-500033. Telangana.

Sub: Certificate under Schedule V(C)(10)(i) of SEBI (Listing Obligations and Disclosure Requirements),
2015

We have examined the Company and Registrar of Companies records, books and papers of TERA SOFTWARE LIMITED (CIN: L72200TG1994PLC018391) having its Registered Office at “8-2-293/82/A/1107, Road No-55, Jubilee Hills, Hyderabad-500033, Telangana (the Company) as required to be maintained under the Companies Act, 2013, SEBI Regulations, other applicable rules and regulations made thereunder for the Financial Year ended on 31st March, 2022.

In our opinion and to the best of my information and according to the examinations carried out by us and explanations and representation furnished to us by the Company, its officers and agents, we certify that none of the following Directors 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 as on 31st March, 2022:

S.No.	DIN	Name of the Director	Designation
1	00107886	Sri. Tummala Gopichand	Chairman & Managing Director
2	00107006	Dr. Hanuman Chowdary Tripuraneni	Independent Director
3	00003020	Dr. Thozuvanoor Vellat Lakshmi	Independent Director
4	00033386	Sri. Divakar Atluri	Independent Director
5	06405913	Sri. Tammana Sivarama Prasad	Independent Director
6	00107795	Sri. Tummala Bapaiah Chowdary	Non-Executive Director
7	00107698	Smt. Tummala Pavana Devi	Non-Executive Director

For C. V. REDDY K & ASSOCIATES
COMPANY SECRETARIES
Sd/-
C V REDDY K
COMPANY SECRETARY IN PRACTICE

Place: Hyderabad
Date: 30-05-2022

M No: 7976
CP No: 8998

Annexure - H

CHIEF EXECUTIVE OFFICER (CEO)& CHIEF FINANCIAL OFFICER (CFO) CERTIFICATION

We, Tummala Gopichand, Chairman & Managing Director and Oduru Babu Reddy, Chief Financial Officer of the Company;

- a) We have reviewed the financial statements and cash flow statement for the year ended 31st March, 2022 and to the best of our knowledge and belief:
- i) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - ii) These 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) To the best of our knowledge and belief, no transactions entered into by the Company during the year ended 31st March, 2022 are 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 we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting. Deficiencies in the design or operation of such internal controls, if any, of which we are aware have been disclosed to the auditors and the Audit Committee and steps have been taken to rectify these deficiencies.
- d)
 - i) There has not been any significant change in internal control over financial reporting during the year under reference;
 - ii) There has not been any significant change in accounting policies during the year requiring disclosure in the notes to the financial statements; and
 - iii) We are not aware of any instance during the year of significant fraud with involvement therein of the management or any employee having a significant role in the Company's internal control system over financial reporting.

Date: 30-05-2022

Place: Hyderabad

Tummala Gopichand
Chairman & Managing Director
DIN: 00107886

Oduru Babu Reddy
Chief Financial Officer

Annexure - I

DECLARATION BY THE MANAGING DIRECTOR

UNDER PART D OF SCHEDULE V OF SEBI (LODR) REGULATIONS, 2015

In accordance with Part D of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, I hereby confirm that all the Members of Board of Directors and Senior Management Personnel of the Company have affirmed compliance with the Code of Conduct, as applicable to them, for the year ended 31st March, 2022.

For Tera Software Limited

Date: 12th August, 2022

Place: Hyderabad

Tummala Gopichand

Chairman & Managing Director

DIN: 00107886

Annexure - J

INDEPENDENT AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

To

UDIN: 21226476AAAADF6861

The Members of

Tera Software Limited

1. Based on our physical examination of records of the company and shared to us via Email pertaining to the compliance of conditions of Corporate Governance by Tera Software Limited ("the Company") for the year ended 31st March, 2022, as stipulated in Regulation 15(2), 17-27 and applicable clauses, schedules to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') for the period 1st April, 2021 to 31st March, 2022.

Managements' Responsibility

2. The compliance of conditions of Corporate Governance is the responsibility of the Management. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure compliance with the conditions of the Corporate Governance stipulated in the Listing Regulations.

Auditors' Responsibility

3. Our responsibility is limited to examining the procedures and implementation thereof, adopted by the Company for ensuring compliance with the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

Opinion

4. In our opinion and to the best of our information and according to the explanation given to us by the directors, officers and the management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned listing regulations during the year ended 31st March, 2022.
5. We further state that such compliance 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 Mullanpudi & Co.,

Chartered Accountants

Firm Reg. No: 006707S

CA B. Krishna Sivaram Apparao

Partner

Membership No: 226476

Place: Hyderabad

Date: 01-08-2022

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF TERA SOFTWARE LIMITED

Report on the Audit of the Standalone Financial Statements Opinion

We have audited the accompanying standalone financial statements of TERA SOFTWARE LIMITED (the "Company"), which comprise the Balance Sheet as at March 31, 2022, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date and a summary of significant accounting policies and other explanatory information (hereinafter referred to as the "stand alone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, 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 read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("IndAS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022 and its loss, total comprehensive income, changes in equity and its cash flows for they are 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 Responsibilities 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 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	<p>Provision for impairment loss in accounts receivables:</p> <p>The credit loss provision in respect of Account receivables represent management's best estimate of the credit losses incurred on the receivables at the balance sheet date.</p> <p>We have identified provisioning for credit loss as a key audit matter as the calculation of credit loss provision is a complex area and requires management to make significant assumptions on customer payment behaviour and estimating the level and timing of expected future cash flows.</p>	<p>Our audit procedure in respect of this area included:</p> <ul style="list-style-type: none"> • Understand and assess the management's estimate and related policies used in the credit loss analysis. • Performed test of key controls to analyse operating effectiveness relating to calculation of impairment provisions. • Reviewed the data flows from source systems to spreadsheet-based models to test their completeness and accuracy. • For Expected Credit Loss (ECL) of trade receivables assessed on individual level by the management, examined on a test check impairment of trade receivables and the key assumptions used in the estimate of the cash shortfalls and reviewed whether amounts have been recovered after the end of reporting period.
1	<p>Provisions and Contingent Liabilities and Evaluation of uncertain tax positions:</p> <p>There are material claims against the company and uncertain Tax/GST positions which are under various stages of dispute, involving significant judgment to determine the possible outcome of these disputes.</p>	<ul style="list-style-type: none"> • Reviewed the management's ageing analysis based on days past due by examining the original documents (such as invoices and bank deposit advices). <p>Verified the calculation of ECL of each type of trade receivables according to the provision matrix.</p> <p>We have obtained details of key claims against the company, completed tax assessments and demands and tax/duty positions.</p> <p>We reviewed status of disputes and representation taken from the management, discussed with appropriate senior management and evaluated the management's underlying key assumptions.</p> <p>We assessed management's estimate of the possible outcome of the disputed cases in evaluating management's position on these uncertain claims and tax positions and assessed the appropriate disclosures in the financials.</p>

Information Other than the Financial Statements and Auditor's Report There on

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the consolidated financial statements, standalone financial statements and our auditor's report thereon.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion there on.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially in consistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's Responsibilities 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, changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of

adequate accounting records in accordance with the provisions of the Act for safe guarding 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 standalone 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 is 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 management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities 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 control 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 system 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.

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 control 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 the mall 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.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit were port 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.
 - c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, the a fore said 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, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022 from being appointed as a direct or in terms of Section 164(2) of the Act.
 - f) With respect to the adequacy of the internal financial controls over financial reporting 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 over financial reporting.

- g) 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.

- h) 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:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements.
 - ii. 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.
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
 - iv. (a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) 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 or entity, including foreign entity (“Intermediaries”), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner what so ever by or on behalf of the Company (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

- (b) The Management has represented, that to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, 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 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.
- v. No dividend has been declared by the company during the year.
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 Mullapudi & Co.,
Chartered Accountants
Firm Regn. No: 006707S
CA. B. Krishna Sivaram Apparao
Partner
Membership No: 226476
UDIN: 22226476AJWRUG3414**

Date: **30.05.2022**

Place: **Hyderabad**

ANNEXURE “A” TO THE INDEPENDENT AUDITOR'S REPORT of even date on the standalone IND AS Financial Statements of M/s TERA SOFTWARE LIMITED

Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of sub-section 3 of Section 143 of the Companies Act, 2013 (the “Act”)

We have audited the internal financial controls over financial reporting of **M/s TERA SOFTWARE LIMITED** (the “Company”) as of March 31, 2022 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Management of the Company is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting 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 (the "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 company's policies, the safe guarding 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 Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting 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 ICAI 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. 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 over financial reporting 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 system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, 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 system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting 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 over financial reporting 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 authorizations of management and directors of the company; and
- (3) Provide reasonable assurance regarding prevention or timely detection of unauthorized 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 Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, 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 over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting 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 system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2022, based on the criteria for internal financial control over financial reporting 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 ICAI.

**For Mullapudi & Co.,
Chartered Accountants
Firm Regn. No: 006707S
CA. B. Krishna Sivaram Apparao
Partner
Membership No: 226476
UDIN: 22226476AJWRUG3414**

Date: **30.05.2022**
Place: **Hyderabad**

ANNEXURE 'B' TO THE INDEPENDENT AUDITOR'S REPORT issued to the Members Of TERA SOFTWARE LIMITED of even date

To the best of our information and according to the explanations provided to us by the Company and the books of account 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 and Intangible Assets:
 - (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment and relevant details of right-of-use assets.
 - (B) The Company does not have any Intangible Assets during the year. Hence reporting under clause 3 (i)(a)(B) is not applicable.
 - (b) The Company has a program of physical verification of Property, Plant and Equipment and right-of-use assets so to cover all the assets once every year which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
 - (c) Based on our examination of lease agreement for land/Registered sale deed/transfer deed/conveyance deed provided to us, we report that, the title in respect of all other immovable properties (other than properties where the company is the lessee and the lease agreements are duly executed in favour of the lessee), disclosed in the financial statements included under Property, Plant and Equipment are held in the name of the Company as at the balance sheet date.

- (d) The Company has not revalued any of its Property, Plant and Equipment (including right-of-use assets) during the year.
- (e) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2022 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made there under.
- ii. (a) Physical verification of inventory has been conducted at reasonable intervals by the management and in our opinion, the coverage and procedure of such verification by the management is appropriate; According to the information and explanations given to us, no material discrepancies were notice don such verification;
- (b) The Company has been sanctioned working capital limits in excess of ₹ 5 crore, in aggregate, at any points of time during the year, from banks or financial institutions on the basis of security of current assets and hence reporting under clause 3(ii)(b) and the quarterly returns or statements filed by the company with such books or financials-institutions are in agreement with the books of accounts of the company.
- iii. The Company has made investments in, companies, firms, Limited Liability Partnerships, and granted unsecured loans to other parties, during the year, in respect of which:
- a. The Company has not provided any loans and advances in the nature of loans or stood guarantee or provided security to any other entity during the year, and hence reporting under clause 3(iii)(a) of the Order is not applicable.
- b. The company has not made any investments made during the year, hence reporting under clause 3(iii)(b) of the order is not applicable.
- c. In respect of loans granted by the Company, the schedule of repayment of principal and payment of interest has been stipulated and the repayments of principal amounts and receipts of interest are generally been regular as per stipulation.
- d. In respect of loans granted by the Company, there is no overdue amount remaining outstanding as at the balance sheet date.
- e. No loan granted by the Company which has fall endue during the year, has been renewed or extended or fresh loans granted to settle the overdue of existing loans given to the same parties.
- f. 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 3(iii)(f) is not applicable.
- The Company has not provided any guarantee or security or granted any advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties.
- 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 3(v) of the Order is not applicable.
- vi. The maintenance of cost records has not been specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013 for the business

activities carried out by the Company. Hence, reporting under clause(vi) of the Order is not applicable to the Company.

vii. In respect of statutory dues:

a. In our opinion, the Company has generally been regular in depositing undisputed statutory dues, including Goods and Services tax, Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, duty of Custom, duty of Excise, Value Added Tax, Cess and other material statutory dues applicable to it with the appropriate authorities.

There were no undisputed amounts payable in respect of Goods and Service tax, Provident Fund, Employees' State

Insurance, 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, 2022 for a period of more than six months from the date they became payable, except in the case of GST of Rs.6.28 Crores

S.no	Nature of Dues	Amount	Period to which the amount relates
1	GST Due	Rs. 6.28 Crores	2020-21

b. There are no dues of Income Tax or Sales Tax or Service Tax or Duty of customs or duty of Excise or Value added tax or GST, which have not been deposited on account of any dispute.

S. no.	Name of the Statute	Nature of the dues	Amount (Rs)	Period to which the amount relates	Forum where dispute is pending
1	The Kerala VAT Rules, 2005	Value Added Tax	84,16,222	2005-06	Kerala VAT AT
2	The Kerala VAT Rules, 2005	Value Added Tax	61,50,240	2006-07	Kerala VAT AT
3	The Kerala VAT Rules, 2005	Value Added Tax	7,42,446	2007-08	Kerala VAT AT
4	The Kerala VAT Rules, 2005	Value Added Tax	8,52,280	2008-09	Kerala VAT AT
5	The Kerala VAT Rules, 2005	Value Added Tax	4,66,474	2009-10	Kerala VAT AT
6	The AP VAT	Value Added Tax	50,70,072	2015-16	Vat Appellate Tribunal, Andhra Pradesh
7	The AP VAT	Value Added Tax	87,81,759	2016-17 (April to Sep)	Vat Appellate Tribunal, Andhra Pradesh
8	The AP VAT	Penalty on VAT	12,67,518	2015-16	Vat Appellate Tribunal, Andhra Pradesh
9	The AP VAT	Penalty on VAT	21,95,440	2016-17	Vat Appellate Tribunal, Andhra Pradesh
10	The AP VAT	Value Added Tax & Penalty	21,45,089	2016-17 & 2017-18 (Till June-18)	Vat Appellate Tribunal, Andhra Pradesh
11	The Finance Act 1994	Service Tax	3,99,98,766	2011-12	CESTSAT- Hyderabad
12	The Finance Act 1994	Penalty On Service Tax	4,00,08,766	2011-12	CESTSAT- Hyderabad
13	The Finance Act 1994	Service Tax	15,40,170	2008-09 to 2012-13	CESTSAT- Hyderabad
14	The Finance Act 1994	Penalty On Service Tax	15,50,170	2008-09 to 2012-13	CESTSAT- Hyderabad
15	The AP VAT	Value Added Tax & Penalty	6,97,000	2014-15	Vat Appellate Tribunal, Andhra Pradesh
16	GST	GST & Interest	5,55,67,058	March - 2020 to May-2021	Appellate Deputy Commissioner, Andhra Pradesh

- viii. There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961(43 of 1961).
- ix. (a) The Company has not defaulted in repayment of any loans or other borrowings from any lender. Hence reporting under clause 3(ix)(a) of the Order is not applicable.
- (b) The Company has not been declared willful defaulter by any bank or financial institution or government or any government authority.
- (c) The company has not taken any term loans during 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 any loans during the year on the pledge of securities held in its subsidiaries. Joint ventures and associates and hence reporting on clause 3(ix)(f) of the Order is not applicable.
- 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 3(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.
- xi. (a) 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 up to the date of this report.
- (c) The company has not received any whistle-blower complaints during the year.
- 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, 2013 with respect to applicable transactions with the related parties and the details of related party transactions have been disclosed in the standalone 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 for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures.

- xv. In our opinion during the year the Company has not entered in to 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) In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvi)(a), (b) and (c) of the Order is not applicable.
- (b) In our opinion, there is no core investment company within the Group (as defined 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 incurred cash losses during the financial year of Rs. 78.25 Lakhs covered by our audit and the no cash loss in immediately preceding financial year has been reported.
- xviii. There has been no resignation of 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. In respect of ongoing projects, the Company has transferred unspent Corporate Social Responsibility (CSR) amount as at the end of the previous financial year, to a Special account within a period of 30 days from the end of the said financial year in compliance with the provision of section 135(6) of the Act.

**For Mullapudi & Co.,
Chartered Accountants
Firm Regn. No: 006707S**

**CA. B. Krishna Sivaram Apparao
Partner
Membership No: 226476
UDIN: 22226476AJWRUG3414**

**Date: 30.05.2022
Place: Hyderabad**

TERA SOFTWARE LIMITED
BALANCE SHEET AS AT 31ST MARCH 2022

Rupees in Lakhs

Particulars	Note	As at	As at
		31-03-2022	31-03-2021
I. ASSETS			
1. Non-current assets			
(i) Property, Plant & Equipment	1	3,004.60	3,052.46
(ii) Financial Assets			
(a) Other Financial Assets	2	242.24	291.78
(iii) Other non current assets	3	462.67	589.41
(iv) Deferred tax Asset (net)	4	334.96	332.62
Total non-current assets		4,044.47	4,266.27
2. Current assets			
(i) Inventories	5	273.99	273.99
(ii) Financial Assets			
(a) Trade receivables	6	18,349.68	19,716.89
(b) Cash and Cash Equivalents	7	1,004.11	1,377.36
(c) Other financial assets	8	1,770.45	2,723.34
(iii) Other current assets	9	1,989.44	1,486.37
Total current assets		23,387.67	25,577.95
TOTAL		27,432.14	29,844.22
II EQUITY AND LIABILITIES			
A Equity			
(a) Equity Share Capital	10	1,251.19	1,251.19
(b) Other Equity	11	9,487.63	9,613.73
Total Equity		10,738.82	10,864.92
B Liabilities			
1. Non-current liabilities			
(i) Financial liabilities			
(a) Lease Liabilities		-	-
(b) Borrowings	12	435.30	348.88
(ii) Provisions	13	140.40	161.53
Total non-current liabilities		575.70	510.41
2. Current liabilities			
(i) Financial liabilities			
(a) Lease Liabilities			
(b) Borrowings	14	5,618.87	5,112.58
(c) Trade payables	15		
Total Outstanding dues to Micro enterprises and small enterprises		271.31	353.77
Total Outstanding dues to creditors other than Micro enterprises and small enterprises		7,849.10	10,276.20
(d) Other financial liabilities	16	1,203.32	1,402.40
(ii) Other current liabilities	17	1,064.87	1,205.03
(iii) Provisions	18	110.15	118.91
Total current liabilities		16,117.62	18,468.89
Total		27,432.14	29,844.22

Significant accounting policies and explanatory notes are an integral part of the financial statements.

 For Mullapudi & Co.,
 Chartered Accountants
 Firm Regn. No 006707S

 T. Pavana Devi
 Director
 DIN 00107698

 T. Gopichand
 Chairman & Managing Director
 DIN 00107886

 CA B. Krishna Sivaram Apparao
 Partner
 Membership no 226476
 Place : Hyderabad
 Date: 30.05.2022

 Oduru Babu Reddy
 Chief Financial Officer

 Ch. Mallikarjuna
 Company Secretary
 Memb.No.A47545

TERA SOFTWARE LIMITED
STATEMENT OF PROFIT AND LOSS

For the year ended 31st March 2022

Rupees in Lakhs

Particulars	Note	For the year ended	
		31-03-2022	31-03-2021
Income			
I Revenue from operations	19	12,714.25	16,072.23
II Other income	20	318.47	321.31
III Total Income (I+II)		13,032.72	16,393.54
IV Expenses			
Purchases	21	-	55.40
Change in inventories	22	-	132.90
Technical & Operation expenses	23	10,172.59	12,389.16
Employee benefit expenses	24	1,442.63	2,178.54
Finance costs	25	1,104.52	849.28
Depreciation and amortization expenses	1	47.86	60.46
Other expenses	26	347.43	575.08
Total Expenses (IV)		13,115.03	16,240.82
V Profit/(Loss) before Exceptional items and tax (III-IV)		(82.31)	152.72
VI Exceptional items		-	-
VII Profit/(Loss) before tax (V-VI)		(82.31)	152.72
VIII Tax expense			
1) Current tax		51.54	116.83
2) Earlier years Taxes			
3) Deferred tax (Net)		(3.70)	(48.41)
IX Profit/(Loss) for the period from continuing operations (VII-VIII)		(130.15)	84.30
X Profit/(Loss) from discontinued operations		-	-
XI Tax expense of discontinued operations		-	-
XII Profit/(Loss) from discontinued operations (after tax) (X-XI)		-	-
XIII Profit/(Loss) for the period (IX-XII)		(130.15)	84.30
XIV Other Comprehensive income			
A (i) Items that will not be reclassified to Profit or Loss			
(II) Income tax relating to items that will not be reclassified to Profit or Loss			
Add: B (i) Items that will be reclassified to Profit or Loss		5.40	(97.39)
Less: (ii) Income tax relating to items that will be reclassified to profit or loss		1.36	(24.51)
XV Total Comprehensive income for the period (XIII+XIV) (Comprising Profit/(Loss) and Other Comprehensive income for the period)		(126.11)	11.42
XVI Earnings per equity share Rs10/- (for continuing operations)			
1) Basic		(1.04)	0.67
2) Diluted		(1.04)	0.67

Significant accounting policies and explanatory notes are an integral part of the financial statements.

For Mullapudi & Co.,
Chartered Accountants
Firm Regn. No 006707S

T. Pavana Devi
Director
DIN 00107698

T. Gopichand
Chairman & Managing Director
DIN 00107886

CA B. Krishna Sivaram Apparao
Partner
Membership no 226476

Oduru Babu Reddy
Chief Financial Officer

Ch. Mallikarjuna
Company Secretary
Memb.No.A47545

Place : Hyderabad
Date: 30-05-2022

TERA SOFTWARE LIMITED
CASH FLOW STATEMENT FOR THE YEAR ENDED 31.03.2022

Rupees in Lakhs

Particulars	Year Ended 31.03.2022	Year Ended 31.03.2021
A. Cash flow from operating activities		
Net Profit / (Loss) before tax as per Profit & Loss Statement	(82.31)	152.72
Adjustments for:		
Depreciation and amortisation	47.86	60.46
Sundry Credit Balances Written Back	-	482.98
Interest Income	(53.67)	(112.34)
Bad Debts Written Off	-	172.41
Finance Cost	(1,104.52)	(849.28)
Sundry Balances Written back	-	(3.71)
Interest on MSME		(23.44)
Changes in Assets and Liabilities		
Trade receivables	1,367.21	(3,056.88)
Other Financial Assets and Other Assets	952.89	4,254.20
Other Non Current Assets	176.28	145.70
Other Current Assets	(503.07)	(240.79)
Inventories	-	132.90
Trade Payables	(2,509.56)	(5,418.02)
Long Term Provisions	(21.13)	(15.68)
Other Current Liabilities	(140.16)	440.16
Short Term Provisions	(8.76)	(43.71)
Other Financial Liabilities	(199.07)	448.33
Cash generated from operations	(2,078.01)	(3,473.99)
Income tax paid	(46.14)	(214.21)
Net cash flow from operating activities (A)	(2,124.15)	(3,688.20)
B. Cash flow from investing activities		
Property, Plant & Equipment	-	4.19
Interest Income	53.67	112.34
Net cash flow from Investing activities (B)	53.67	116.53
C. Cash flow from financing activities		
Short Term Borrowings(Net)	506.29	2,316.63
Long Term Borrowings	86.42	197.07
Interest Paid	1,104.52	849.28
Net cash flow from Financing activities (C)	1,697.23	3,362.98
Net increase in Cash and cash equivalents (A+B+C)	(373.25)	(208.69)
Opening balance of Cash and cash equivalents	1,377.36	1,586.05
Closing balance of Cash and cash equivalents	1,004.11	1,377.36
Components of Cash and Cash Equivalents		
Cash and cheques on Hand	10.91	15.36
Balances with Banks		
-On Current Accounts	8.30	76.22
-On Deposit Accounts	984.90	1,285.78
Cash and cash Equivalent as per Note 7	1,004.11	1,377.36

For Tera Software Limited

Place: Hyderabad
 Date : 30th May 2022

T. Gopichand
 Chairman & Managing Director
 DIN : 00107886

TERA SOFTWARE LIMITED
STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH 2022

A. Equity Share Capital

Rupees in Lakhs

(1) Current reporting period

Balance at the beginning of the current reporting period	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the current reporting period	Changes in equity share capital during the current year	Balance at the end of the current reporting period
1,251.19	-	-	-	1,251.19

(2) Previous reporting period

Balance at the beginning of the previous reporting period	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the previous reporting period	Changes in equity share capital during the previous year	Balance at the end of the previous reporting period
1,251.19	-	-	-	1,251.19

B. Other Equity**(1) Current reporting period**

	Share application money pending allotment	Equity component of compound financial instruments	Capital Total Reserve	Securities Premium	General Reserves	Retained Earnings	Debt instruments through Other Comprehensive Income	Equity Instruments through Other Comprehensive Income	Effective portion of Cash Flow Hedges	Revaluation Surplus	Exchange differences on translating the financial statements of a foreign operation	Other items of Other Comprehensive Income (specify nature)	Money received against share warrants	Total
Balance at the beginning of the current reporting period	-	-	-	851.00	3,834.76	4,927.98	-	-	-	-	-	-	-	9,613.74
Changes in accounting policy or prior period errors	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Restated balance at the beginning of the current reporting period	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Comprehensive Income for the current year	-	-	-	-	-	4.04	-	-	-	-	-	-	-	4.04
Dividends	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfer to retained earnings	-	-	-	-	-	(130.15)	-	-	-	-	-	-	-	(130.15)
Any other change (to be specified)	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Balance at the end of the current reporting period	-	-	-	851.00	3,834.76	4,801.87	-	-	-	-	-	-	-	9,487.63

2) Previous reporting period

	Share application money pending allotment	Equity component of compound financial instruments	Capital Total Reserve	Securities Premium	General Reserves	Retained Earnings	Debt instruments through Other Comprehensive Income	Equity Instruments through Other Comprehensive Income	Effective portion of Cash Flow Hedges	Revaluation Surplus	Exchange differences on translating the financial statements of a foreign operation	Other Items of Other Comprehensive Income (specify nature)	Money received against share warrants	Total
Balance at the beginning of the previous reporting period	-	-	-	851.00	3,834.76	4,962.58	-	-	-	-	-	-	-	9,648.34
Changes in accounting policy/prior period errors	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Restated balance at the beginning of the previous reporting period	-	-	-	-	-	(28.80)	-	-	-	-	-	-	-	(28.80)
Total Comprehensive Income for the previous year	-	-	-	-	-	(90.11)	-	-	-	-	-	-	-	(90.11)
Dividends	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfer to retained earnings	-	-	-	-	-	84.30	-	-	-	-	-	-	-	84.30
Any other change (to be specified)	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Balance at the end of the previous reporting period	-	-	-	851.00	3,834.76	4,927.97	-	-	-	-	-	-	-	9,613.73

Note: Remeasurment of defined benefit plans and fair value changes relating to own credit risk of financial liabilities designated at fair value through profit or loss shall be recognised as a part of retained earnings with separate disclosure of such items alongwith the relevant amounts in the Notes or shall be shown as a separate column under Reserves and Surplus

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SIGNIFICANT ACCOUNTING POLICIES

a) **Statement of compliance**

The company's financial statements have been prepared in accordance with the provisions of the Companies Act' 2013 and the Indian Accounting Standards ("Ind AS") notified under the Companies (Indian Accounting Standards) Amendment Rules, 2016 as applicable. The financials of the company for the year ended March 31, 2022 and year ended March 31, 2021 are prepared in compliance with Ind AS.

b) **Basis of accounting**

These financial statements are prepared in accordance with Indian Accounting Standards (Ind AS) under the historical cost convention on accrual basis as stated in the provisions of the Companies Act, 2013 ('Act'). The Ind AS are prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.

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, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

Fair value measurements under Ind AS are categorized as below based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the company can access at measurement date;
- Level 2 inputs are inputs, other than quoted prices included in level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the valuation of assets/liabilities

c) **Presentation of financial statements**

The Balance Sheet and the Statement of Profit and Loss are prepared and presented in the format prescribed in the Schedule III to the Companies Act, 2013 ("the Act"). The statement of cash flows has been prepared and presented as per the requirements of Ind AS 7 "Statement of Cash flows". The disclosure requirements with respect to items in the Balance Sheet and Statement of Profit and Loss, as prescribed in the Schedule III to the Act, are presented by way of notes forming part of the financial statements along with the other notes required to be disclosed under the notified Accounting Standards.

d) **Operating cycle for current and non-current classification**

Operating cycle for the business activities of the company covers the duration of the specific project/contract/product line/service including the defect liability period wherever applicable and extends up to the realization of receivables (including retention monies) within the agreed credit period normally applicable to the respective lines of business.

e) **Revenue recognition**

The company accounts and recognizes

contract with a customer only when the following criteria are met:

- (a) The parties to the contract have approved the contract (in writing, orally or in accordance with other customary business practices) and are committed to perform their respective obligations;
- (b) The entity can identify each party's rights regarding the goods or services to be transferred;
- (c) The entity can identify the payment terms for the goods or services to be transferred;
- (d) The contract has commercial substance (i.e., the risk, timing or amount of the entity's future cash flows is expected to change as a result of the contract); and
- (e) It is probable that the company will collect the consideration to which it will be entitled in exchange for the goods or services that will be transferred to the customer. In evaluating whether collectability of an amount of consideration is probable, the company considers only the customer's ability and intention to pay that amount of consideration when it is due.

The amount of consideration to which the company will be entitled may be less than the price stated in the contract if the consideration is variable because the entity may offer the customer a price concession.

At contract inception, the company shall assess the goods or services promised in a contract with a customer and shall identify as a performance obligation each promise to transfer to the customer either:

a good or service (or a bundle of goods or services) that is distinct; or

a series of distinct goods or services that are substantially the same and that have the same pattern of transfer to the customer.

The company shall recognize revenue when (or as) the entity satisfies a performance obligation by transferring a promised good or service (i.e. an asset) to the customer. An asset is transferred when (or as) the customer obtains control of that asset.

When a performance obligation is satisfied, the company shall recognize as revenue the amount of the transaction price that is allocated to that performance obligation. Determining the transaction price, the company shall consider the terms of the contract and its customary business practices to determine the transaction price. The transaction price is the amount of consideration to which the company expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties. The consideration promised in a contract with a customer may include fixed amounts, variable amounts, or both.

f) Exceptional Items

Exceptional Items represents the nature of transactions which are not in recurring nature during the ordinary course of business but lead to increase / decrease in profit / loss for the year.

g) Property, plant and equipment (PPE)

PPE is recognized 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. PPE is stated at original cost net of tax/duty credits availed, if any, less accumulated depreciation and cumulative impairment, if any. Property,

plant and equipment acquired on hire purchase basis are recognized at their cash values. Cost includes professional fees related to the acquisition of PPE and for qualifying assets, borrowing costs capitalized in accordance with the company's accounting policy.

PPE not ready for the intended uses on the date of the Balance Sheet are disclosed as "capital work-in-progress".

Depreciation is recognized using straight line method so as to write off the cost of the assets (other than freehold land and properties under construction) less their residual values over their useful lives specified in Schedule II to the Companies Act, 2013.

Depreciation method is reviewed at each financial year end to reflect the expected pattern of consumption of the future economic benefits embodied in the asset. The estimated useful life and residual values are also reviewed at each financial year end and the effect of any change in the estimates of useful life/residual value is accounted on prospective basis.

Where cost of a part of the asset ("asset component") is significant to total cost of the asset and useful life of that part is different from the useful life of the remaining asset, useful life of that significant part is determined separately and such asset component is depreciated over its separate useful life.

Freehold land is not depreciated.

h) Investment property

Investment properties are properties held to earn rentals and/or for capital appreciation (including property under construction for such purposes). Investment properties are measured initially at cost, including transaction costs. Subsequent to initial

recognition, investment properties are measured in accordance with the Ind AS16's requirement for cost model. An investment property is derecognized upon disposal or when the investment property is permanently withdrawn from use and no further economic benefits expected from disposal. Any gain or loss arising on derecognition of the property is included in profit or loss in the period in which the property is derecognized.

i) Intangible assets

Identifiable intangible assets are recognized when the Company controls the asset, it is probable that future economic benefits attributed to the asset will flow to the Company and the cost of the asset can be reliably measured.

At initial recognition, the separately acquired intangible assets are recognized at cost.

Following initial recognition, the intangible assets are carried at cost less any accumulated amortization and accumulated impairment losses, if any. The estimated useful life and amortization method reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

Intangible assets are amortized on straight line basis over the estimated useful life. The method of amortization and useful life is being reviewed at the end of each accounting year with the effect of any changes in the estimate being accounted for on a prospective basis.

j) Impairment of assets

Intangible assets and property, plant and equipment:

Intangible assets and property, plant and equipment are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not

be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value in use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the CGU to which the asset belongs. If such assets are considered to be impaired, the impairment to be recognized in the statement of profit and loss is measured by the amount by which the carrying value of the assets exceeds the estimated recoverable amount of the asset. An impairment loss is reversed in the statement of profit and loss if there has been a change in the estimates used to determine the recoverable amount. The carrying amount of the asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortization or depreciation) had no impairment loss been recognized for the asset in prior years.

k) Employee Benefits

Short term employee benefits:

Employee benefits such as salaries, wages, short term compensated absences, expected cost of bonus, ex-gratia and performance-linked rewards falling due wholly within twelve months of rendering the service are classified as short term employee benefits and are expensed in the period in which the employee renders the related service.

Post-employment benefits:

Provident Fund

The company makes contribution to Provident Fund administered by the Central Government under The Employees Provident Funds and Miscellaneous Provisions Act, 1952 and

recognizes the same as an expense in the profit and loss account.

Gratuity

For defined post-employment benefit plans, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. Re-measurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding net interest), is reflected immediately in the balance sheet with a charge or credit recognized in other comprehensive income in the period in which they occur. Re measurement recognized in other comprehensive income is reflected immediately in retained earnings and is not reclassified to profit or loss. Past service cost is recognized in profit or loss in the period of a plan amendment. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset.

l) Leases

The determination of whether an agreement is, or contains, a lease is based on the substance of the agreement at the date of inception.

(i) Finance leases

a) Leases where the company has substantially all the risks and rewards of ownership of the related assets are classified as finance leases. Assets under finance leases are capitalized at the commencement of the lease at the lower of the fair value or the present value of minimum lease payments and a liability is created for an equivalent amount. Each lease rental paid is allocated between the liability and the interest cost, so as to

obtain a constant periodic rate of interest on the outstanding liability for each period.

- b) Assets given under a finance lease are recognized as a receivable at an amount equal to the net investment in the lease. Lease income is recognized over the period of the lease so as to yield a constant rate of return on the net investment in the lease.

(ii) Operating leases:

The leases which are not classified as finance lease are operating leases.

- a) Lease rentals on assets under operating lease are charged to the Statement of Profit and Loss on a straight line basis over the term of the relevant lease.
- b) Assets leased out under operating leases are continued to be shown under the respective class of assets. Rental income is recognized on a straight line basis over the term of the relevant lease.

m) Financial Instruments

Financial assets and/or financial liabilities are recognized when the company becomes party to a contract embodying the related financial instruments. All financial assets, financial liabilities and financial guarantee contracts are initially measured at transaction values and where such values are different from the fair value, at fair value. Transaction costs that are attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from as the case may be, the fair value of such assets or liabilities, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value

through profit or loss are recognized immediately in profit or loss.

Financial assets

Financial asset is

1. Cash / Equity Instrument of another Entity,
2. Contractual right to:
 - a) Receive Cash / another Financial Asset from another Entity, or
 - b) Exchange Financial Assets or Financial Liabilities with another Entity under conditions that are potentially favorable to the Entity.

A. All recognized financial assets are subsequently measured in their entirety at amortized cost or at fair value depending on the classification of the financial assets as follows:

- i) Investments in debt Instruments that are designated as fair value through profit or loss (FVTPL) - at fair value.
- ii) Other investments in debt instruments - at amortized cost, subject to following conditions:
 - The asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
 - The contractual terms of instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.
- iii) Debt instruments that meet the following conditions are subsequently measured at fair value through other comprehensive income (FVTOCI) (unless the same are designated as fair value through profit or loss)
 - The asset is held within a business model whose objective is achieved both by collecting contractual cash flows and selling financial assets; and

- The contractual terms of instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

iv) Investment in equity instruments issued by subsidiary, associates and joint ventures are measured at cost less impairment.

v) Investment in preference shares of the subsidiary companies are treated as equity instruments if the same are convertible into equity shares or are redeemable out of the proceeds of equity instruments issued for the purpose of redemption of such investments. Investment in preference shares not meeting the aforesaid conditions are classified as debt instruments at FVTPL.

vi) Investments in equity instruments are classified as at FVTPL, unless the related instruments are not held for trading and the company irrevocably elects on initial recognition to present subsequent changes in fair value in Other Comprehensive Income.

For financial assets that are measured at FVTOCI, income by way of interest, dividend and exchange difference (on debt instrument) is recognized in profit or loss and changes in fair value (other than on account of such income) are recognized in Other Comprehensive Income and accumulated in other equity. On disposal of debt instruments measured at FVTOCI, the cumulative gain or loss previously accumulated in other equity is reclassified to profit or loss. In case of equity instruments measured at FVTOCI, such cumulative gain or loss is not reclassified to profit or loss on disposal of investments.

B. A financial asset is primarily derecognized when:

- i) The right to receive cash flows from the asset has expired, or
- ii) 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 (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.

On de-recognition of a financial asset in its entirety, the differences between the carrying amounts measured at the date of de-recognition and the consideration received is recognized in profit or loss.

C. Impairment of financial assets: The Company recognizes impairment loss on trade receivables using expected credit loss model, which involves use of a provision matrix constructed on the basis of historical credit loss experience as permitted under Ind AS 109.

Financial liabilities

Financial liability is Contractual Obligation to

- a) Deliver Cash or another Financial Asset to another Entity, or
- b) Exchange Financial Assets or Financial Liabilities with another Entity under conditions that is potentially unfavorable to the Entity.

Financial liabilities, including derivatives and embedded derivatives, which are designated for measurement at FVTPL are subsequently measured at fair value. Financial guarantee contracts are subsequently measured at the amount of impairment loss allowance or the amount recognized at inception net of cumulative amortization, whichever is higher. All other financial liabilities including loans and borrowings are measured at amortized

cost using Effective Interest Rate (EIR) method.

Financial liability is derecognized when the related obligation expires or is discharged or cancelled.

Fair value of financial instruments

In determining the fair value of its financial instruments, the Company uses a variety of methods and assumptions that are based on market conditions and risks existing at each reporting date. The methods used to determine fair value include discounted cash flow analysis, available quoted market prices and dealer quotes. All methods of assessing fair value result in general approximation of value and such value may or may not be realized.

Fair value measurement

The Company measures certain financial instruments at fair value at each reporting date. Fair value is the price that would be received on sale of an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- a) In the principal market for the asset or liability, or
- b) In the absence of principal market, in the most advantageous market for the asset or liability.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest. The Company uses valuation techniques that are appropriate in the circumstances and for

which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

n) Inventories

Inventories are valued after providing for obsolescence, as under:

- a) Raw materials, components, construction materials, stores, spares and loose tools at lower of Cost and net realizable value. However, these items are considered to be realizable at cost if the finished products, in which they will be used, are expected to be sold at or above cost.
- b) Finished goods and stock-in-trade (in respect of goods acquired for trading) at lower of Cost and net realizable value. Cost includes related overheads and GST paid/payable on such goods.

Assessment of net realizable value is made in each subsequent period and when the circumstances that previously caused inventories to be written-down below cost no longer exist or when there is clear evidence of an increase in net realizable value because of changed economic circumstances, the write-down, if any, in the past period is reversed to the extent of the original amount written-down so that the resultant carrying amount is the lower of the cost and the revised net realizable value.

o) Cash and bank balances

Cash and bank balances also include fixed deposits, margin money deposits, earmarked balances with banks and other bank balances which have restrictions on repatriation. Short term and liquid investments being subject to more than insignificant risk of change in value, are not included as part of cash and cash equivalents.

p) Borrowing Costs

Borrowing costs include interest expense calculated using the effective interest method, finance charges in respect of assets acquired on finance lease and exchange differences arising on foreign currency borrowings to the extent they are regarded as an adjustment to interest costs.

Borrowing costs net of any investment income from the temporary investment of related borrowings that are attributable to the acquisition, construction or production of a qualifying asset are capitalised/inventoried as part of cost of such asset till such time the asset is ready for its intended use or sale. A qualifying asset is an asset that necessarily requires a substantial period of time to get ready for its intended use or sale. All other borrowing costs are recognized in profit or loss in the period in which they are incurred.

q) Foreign currencies

i) The functional currency and presentation currency of the company is Indian Rupee.

ii) Transactions in currencies other than the company's functional currency are recorded on initial recognition using the exchange rate at the transaction date. At each Balance Sheet date, foreign currency monetary items are reported using the closing rate. Non-monetary items that are measured in terms of historical cost in foreign currency are not retranslated. Exchange differences that arise on settlement of monetary items or on reporting of monetary items at each Balance Sheet date at the closing spot rate are recognised in profit or loss in the period in which they arise except for:

a) Exchange differences on foreign currency borrowings relating to assets under construction for future productive use, which

are included in the cost of those assets when they are regarded as an adjustment to interest costs on those foreign currency borrowings; and

b) Exchange differences on transactions entered into in order to hedge certain foreign currency risks.

r) Taxes on income

Income tax expense represents sum of the tax currently payable and deferred tax

Current Tax

Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the applicable tax rates and the provisions of the Income Tax Act, 1961 and other applicable tax laws that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized. Such deferred tax assets and liabilities are not recognised if the temporary differences arise from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that in addition, deferred tax liabilities are not recognized if the temporary difference arises from the initial recognition of goodwill.

The carrying amount of deferred tax assets is

reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realized, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Current and deferred tax for the year

Current and deferred tax are recognized in profit or loss, except when they relate to items that are recognized in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognized

in other comprehensive income or directly in equity respectively.

s) Property, Plant and Equipment

Property, Plant and Equipment represent a significant proportion of the asset base of the company. The changes in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The useful lives and residual values of Company's assets are determined by the management at the time the asset is acquired and reviewed periodically, including at each financial year end. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in Technology.

Property, plant and equipment consist of the following for the year ended 31 st March -2022								
Particulars	Rupees in Lakhs							
	Land	Buildings	Plant & Equipment	Furniture & Fixtures	Vehicles	Office Equipment	Electrical & Fixtures	Capital Assets on Projects Division
Gross carrying value as at April 1, 2021	2,536.95	558.09	5,462.02	247.30	99.79	29.16	254.46	1,082.88
additions	-	-	-	-	-	-	-	-
Deletions *	-	-	-	-	-	-	-	-
Gross carrying value as at March 31, 2022	2,536.95	558.09	5,462.02	247.30	99.79	29.16	254.46	1,082.88
Accumulated depreciation as at April 1, 2021	-	109.11	5,451.94	234.10	76.85	26.38	236.93	1,082.88
Depreciation	-	10.26	8.85	8.63	8.49	1.46	10.17	-
Accumulated depreciation on deletions	-	-	-	-	-	-	-	-
Accumulated depreciation as at March 31, 2022	-	119.37	5,460.79	242.73	85.34	27.84	247.10	1,082.88
Carrying value as at April 1, 2021	2,536.95	448.98	10.08	13.20	22.94	2.78	17.53	-
Carrying value as at March 31, 2022	2,536.95	438.72	1.23	4.57	14.45	1.32	7.36	-

Property, plant and equipment consist of the following for the year ended 31st March .2021								
Particulars	Land	Buildings	Plant & Equipment	Furniture & Fixtures	Vehicles	Office Equipment	Electrical & Fixtures	Capital Assets on Projects Division
Gross carrying value as at April 1, 2020	2,536.95	558.09	5,461.47	247.30	111.63	29.16	254.46	1,082.88
additions	-	-	0.54	-	-	-	-	-
Deletions *	-	-	-	-	11.84	-	-	-
Gross carrying value as at March 31, 2021	2,536.95	558.09	5,462.01	247.30	99.79	29.16	254.46	1,082.88
Accumulated depreciation as at April 1, 2020	-	98.86	5,439.29	220.85	74.41	24.93	223.62	1,082.88
Depreciation	-	10.25	12.65	13.25	9.54	1.46	13.30	-
Accumulated depreciation on deletions	-	-	-	-	7.10	-	-	-
Accumulated depreciation as at March 31, 2021	-	109.11	5,451.94	234.10	76.85	26.39	236.92	1,082.88
Carrying value as at April 1, 2020	2,536.95	459.23	22.18	26.45	37.22	4.23	30.84	-
Carrying value as at March 31, 2021	2,536.95	448.98	10.07	13.20	22.94	2.77	17.54	-

t) Provisions, contingent liabilities and contingent assets

Provisions are recognised only when:

- the company has 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; and
- a reliable estimate can be made of the amount of the obligation.

Provision is measured using the cash flows estimated to settle the present obligation and when the effect of time value of money is material, the carrying amount of the provision is the present value of those cash flows.

Contingent assets are disclosed where an inflow of economic benefits is probable.

Provisions, contingent liabilities and contingent assets are reviewed at each Balance Sheet date.

Where the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received under such contract, the present obligation under the contract is recognised and

measured as a provision.

u) Statement of Cash Flows

Statement of Cash Flows is prepared segregating the cash flows into operating, investing and financing activities based on the available information. Cash flow from operating activities is reported using indirect method, adjusting the net profit for the effects of:

- i) changes during the period in inventories and operating receivables and payables transactions of a non-cash nature;
- ii) non-cash items such as depreciation, provisions, deferred taxes, unrealised foreign currency gains and losses, and undistributed profits of associates; and
- iii) all other items for which the cash effects are investing or financing cash flows.

Cash comprises cash on hand and demand deposits with banks.

Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

v) Earnings Per Share

Basic earnings per equity share are computed by dividing the net profit for the year attributable to the Equity Shareholders by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the net profit for the year, adjusted for the effects of dilutive potential equity shares, attributable to the Equity Shareholders by the weighted average number of the equity shares and dilutive potential equity shares outstanding during the year except where the results are anti-dilutive.

w) Critical Accounting Judgments and key sources of estimation uncertainty

The preparation of the Company's financial statements requires management to make judgement, estimates and assumptions that affect the reported amount of revenue, expenses, assets and liabilities and the accompanying disclosures. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets and liabilities affected in future periods. The following are the critical judgments, apart from those involving estimations, that the directors have made in the process of applying the Company's accounting policies and that have the most significant effect on the amounts recognised in the financial statement.

Key sources of estimation uncertainty

The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

Depreciation/ amortization and Useful life of Property, Plant and equipment

The company reviews the estimated useful lives of property plant and equipment at the

end of each reporting period. The useful lives and residual values are based on the Company's historical experience with similar assets and take into account anticipated technological changes. The depreciation/ amortization for future periods is revised if there are significant changes from previous estimates. During the current year, there has been no change in life considered for the assets.

Recoverability of trade receivables

Judgments are required in assessing the recoverability of overdue trade receivables and determining whether a provision against those receivables is required. Factors considered to determine the provision include the credit rating of the counterparty, the amount and timing of anticipated future payments and any possible actions that can be taken to mitigate the risk of non-payment.

Estimation of net realizable value of inventories

Inventories are stated at the lower of cost and Fair value. In estimating the net realizable value / Fair value of Inventories the Company makes an estimate of future selling prices and costs necessary to make the sale.

Provision for employee benefits

The Company uses actuarial assumptions to determine the obligations for employee benefits at each reporting period. These assumptions include the discount rate, expected long-term rate of return on plan assets, rate of increase in compensation levels and mortality rates.

Fair value measurements and valuation processes

Some of the Company's assets and liabilities are measured at fair value for the financial reporting purposes. The valuation committee which is headed by the Chief Financial Officer of the Company determines the appropriate valuation techniques and inputs for fair value measurements.

TERA SOFTWARE LIMITED
NOTES FORMING PART OF THE IND AS FINANCIAL STATEMENTS

1. PROPERTY, PLANT AND EQUIPMENT
Rupees in Lakhs

Particulars	Gross Block				Depreciation				Net Block	
	As at	Additions	Deletions	Upto	As at	For the	Deletions	Upto	As at	As at
	01-Apr-21	during the year/period	during the year/period	31-Mar-22	01-Apr-21	Year/period	during the year/period	31-Mar-22	31-Mar-22	31-Mar-21
i. TANGIBLE										
Land	2,536.95	-	-	2,536.95	-	-	-	-	2,536.95	2,536.95
Buildings	558.09	-	-	558.09	109.11	10.26	-	119.37	438.72	448.98
Plant and Equipment	5,462.02	-	-	5,462.02	5,451.94	8.85	-	5,460.79	1.23	10.08
Furniture and Fixtures	247.30	-	-	247.30	234.10	8.63	-	242.73	4.57	13.20
Vehicles	99.79	-	-	99.79	76.85	8.49	-	85.34	14.45	22.94
Office equipment	29.16	-	-	29.16	26.38	1.46	-	27.84	1.32	2.78
Electrical & Fixtures:	254.46	-	-	254.46	236.93	10.17	-	247.10	7.36	17.53
Capital Assets on Projects Division	1,082.88	-	-	1,082.88	1,082.88	-	-	1,082.88	-	-
Total	10,270.65	-	-	10,270.65	7,218.19	47.86	-	7,266.05	3,004.60	3,052.46
*Previous Year	10,281.96	0.54	11.84	10,270.66	7,164.84	60.46	7.10	7,218.20	3,052.46	

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TERA SOFTWARE LIMITED
NOTES FORMING PART OF THE IND AS FINANCIAL STATEMENTS

Rupees in Lakhs

	Particulars	As at 31-Mar-22	As at 31-Mar-21
	FINANCIAL ASSETS		
2	OTHER FINANCIAL ASSETS		
	Security and other Deposits	242.24	291.78
	Total	242.24	291.78
3	OTHER NON CURRENT ASSETS		
	(Unsecured, Considered good)		
	Bank deposits maturity of morethan 12 months	34.28	161.02
	BG Claim Under Protest	428.39	428.39
	Total	462.67	589.41
4	Deferred tax Asset (net)		
	On account of Fixed Assets	24.69	32.21
	On account of Income tax disallowances	310.27	300.41
	Total	334.96	332.62
5	INVENTORIES		
	(a) Trading Goods	160.51	160.51
	(b) Consumables	113.48	113.48
	(C)Work in progress	-	-
	Total	273.99	273.99
6	Trade receivables		
	a) Considered GoodSecured		
	b) Considered GoodUnsecured	19,123.13	20,349.66
	c) Trade Receivables which have significant increase in credit risk		
	d) Trade Receivables credit Impaired		
	Less: Credit Loss Allowance	(773.45)	(632.77)
	Total	18,349.68	19,716.89
7	Cash and Cash Equivalent s		
	(i) Cash on hand	10.91	15.36
	(ii) Balances with Banks		
	In current accounts	4.46	70.69
	In Dividend account	3.84	5.53
	In Marging Money Deposits	984.90	1,285.78
	Total	1,004.11	1,377.36
8	Other financial assets		
	Accrued Interest	27.21	32.27
	Unbilled Receivables	1,743.24	2,691.07
	Total	1,770.45	2,723.34
9	OTHER CURRENT ASSETS		
	(Unsecured and considered good)		
	(a) Advance to Suppliers / Service Providers	879.75	564.02
	(b) Staff Advances	3.17	1.62
	(c) Advance for Expenses	5.05	23.12
	(d) Prepaid expense	126.82	128.48
	(e) Balances with government authorities	974.65	769.13
	Total	1,989.44	1,486.37

TERA SOFTWARE LIMITED
NOTES FORMING PART OF THE IND AS FINANCIAL STATEMENTS

10. Share capital

Particulars	As at		As at	
	31-03-2022		31-03-2021	
	No of shares (in lakhs)	Amount (in lakhs)	No of shares (in lakhs)	Amount (in lakhs)
AUTHORISED				
Equity Shares of Rs 10/- each	250.00	2,500.00	250.00	2,500.00
ISSUED, SUBSCRIBED & FULLY PAID UP				
Equity shares of Rs 10/- each	125.12	1,251.19	125.12	1,251.19
Total	125.12	1,251.19	125.12	1,251.19

10.1 Details of Shareholders holding more than 5% of total number of shares

Name of The Shareholder	As at 31 March 2022		As at 31 March 2021	
	No of shares held (in lakhs)	% out of number of shares of the company	No of shares held (in lakhs)	% out of number of shares of the company
Tummala Gopichand	11.97	9.56%	11.97	9.56%
Tummala Pavana Devi	5.75	4.59%	5.75	4.59%
Tummala Madhu Mitra	8.41	6.72%	8.41	6.72%
Tummala Rajasekhar	28.25	22.58%	28.25	22.58%

10.2 Reconciliation of number of shares

Name of The Shareholder	As at 31 March 2022		As at 31 March 2021	
	No of shares held (in lakhs)	% out of number of shares of the company	No of shares held (in lakhs)	% out of number of shares of the company
Shares outstanding at the beginning of the year	125.12	1,251.19	125.12	1,251.19
Add: Shares issued during the year	-	-	-	-
	125.12	1,251.19	125.12	1,251.19
Less: Shares bought back during the year	-	-	-	-
	125.12	1,251.19	125.12	1,251.19

The Company has only one class of shares having face value of Rs 10/- each and the holder of the equity share is entitled to one vote per share. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive the remaining assets of the Company in proportion to the number of equity shares held.

TERA SOFTWARE LIMITED
NOTES FORMING PART OF THE IND AS FINANCIAL STATEMENTS

11. OTHER EQUITY**(Rupees in Lakhs)**

Particulars	As at 31-Mar-22	As at 31-Mar-21
Securities Premium		
Figures as at the end of the previous reporting period	851.00	851.00
Additions	-	-
Deductions	-	-
Figures as at the end of current reporting period	851.00	851.00
General Reserve		
Figures as at the end of the previous reporting period	3,834.76	3,834.76
Additions	-	-
Deductions	-	-
Figures as at the end of current reporting period	3,834.76	3,834.76
Surplus in Profit and Loss Account		
Figures as at the end of the previous reporting period	4,927.98	4,962.58
CSR Expenditure		(28.80)
Add: Profit for the year / period	(130.15)	84.30
Figures as at the end of Reporting period	4,797.83	5,018.08
Other Comprehensive Income / Loss Net of Tax at the end of the previous reporting year		(17.23)
Other Comprehensive Income / Loss Net of Tax	4.04	(72.88)
Less: Proposed dividend	-	-
: Tax on Proposed dividend	-	-
: Transfer to General Reserves	-	-
	4.04	(90.11)
Total of Reserves and Surplus	9,487.63	9,613.73

NATURE OF RESERVES

- i. General Reserves - Companies cumulative earnings since its formation less distribution.
- ii. Security Premium- represents the premium received on issue of equity shares.
- iii. The reserves are utilised in accordance with the provisions of Companies Act, 2013.

TERA SOFTWARE LIMITED
NOTES FORMING PART OF THE IND AS FINANCIAL STATEMENTS

Rupees in Lakhs

	As at	As at
Particulars	31-Mar-22	31-Mar-21
12 Long term borrowings		
Term loans		
From Banks	0.46	5.78
From Directors	434.84	343.10
Total	435.30	348.88
13 Long term provisions		
Provision for employee benefits:		
Gratuity	140.40	161.53
Total	140.40	161.53
14 Short term borrowings		
- Secured		
(a) Loans repayable on demand from banks	2.77	1.24
(b) Cash credit	4,309.40	4,375.53
(c) Short Term Working Capital Loans from Banks ¹	-	500.00
(d) Short Term Loan from Others ^{2 & 3}	1,306.70	235.81
Total	5,618.87	5,112.58
15 Trade Payables		
- Total Outstanding dues to Micro enterprises and small enterprises	271.31	353.77
- Total Outstanding dues to creditors other than Micro enterprises and small enterprises	7,849.10	10,276.20
Total	8,120.41	10,629.97
16 Other financial liabilities		
Retention money	86.87	409.06
Unpaid Dividend	3.84	5.53
Other Payables	1,112.61	987.81
Total	1,203.32	1,402.40
17 Other current liabilities		
Advance from customers / Mobilisation advances	-	-
Statutory dues	736.66	1,019.49
Other payables ⁴	328.21	185.54
Total	1,064.87	1,205.03
18 Short-term provisions		
Provision for employee benefits:		
Gratuity	44.15	8.59
Provision- others:		
- Provision for SLA's	66.00	110.32
Total	110.15	118.91

NOTE to Sl. No 14 (c) and (d)

- Vendor Finance bills of Rs 439.98 lakhs availed in 2nd quarter and paid during 3rd quarter (availed Previous year Rs 500.00 lakhs and paid in 1st quarter) has been availed from the South Indian Bank Limited against bill and 10% cash margin with usance period of 90 days @ 10.50% interest p.a.
- Secured Purchase Finance of Rs 1116.70 lakhs (Previous year Rs 235.81 lakhs) availed from Oxyzo Financial Services Private Limited against Bank Guarantees.
- Secured Loan (availed Rs 200.00 Lakhs) outstanding of Rs 190.00 lakhs (Previous Year Nil Lakhs) from Merlin Holdings Private Limited against pledge of promoter shares.
- Other Payables include CSR Expenditure Payable of Rs 7.55 Lakhs (Previous year Rs 52.03 lakhs), During the year expenditure incurred of Rs 44.48 Lakhs against CSR Expenditure payable.

TERA SOFTWARE LIMITED
NOTES FORMING PART OF THE IND AS FINANCIAL STATEMENTS

Rupees in Lakhs

	Particulars	For the year ended	
		31-Mar-22	31-Mar-21
19	REVENUE FROM OPERATIONS		
	Sales of Goods	-	58.20
	Sale of Services	12,633.00	15,530.86
	Operating Revenue	81.25	483.17
	Total	12,714.25	16,072.23
20	OTHER INCOME		
	Interest income	53.67	112.34
	Rental Income	264.80	191.83
	Exchange Fluctuation	-	17.14
	Total	318.47	321.31
21	PURCHASES		
	Purchase	-	55.40
	Total	-	55.40
22	CHANGES IN INVENTORIES		
	INVENTORIES AT THE BEGGINING OF THE YEAR		
	Opening Stock		
	Traded Goods	160.51	257.72
	Consumables	113.48	149.17
	Total (A)	273.99	406.89
	INVENTORIES AT THE END OF THE YEAR		
	Closing Stock		
	Traded Goods	160.51	160.51
	Consumables	113.48	113.48
	Total (B)	273.99	273.99
	(Increase) / Decrease in Stocks (A) - (B)	-	132.90
23	TECHNICAL & OPERATION EXPENSES		
	Power and Fuel	24.05	26.88
	Software Maintenance Charges	42.32	2.21
	Rent Charges	18.27	30.33
	Consumables	0.71	1.24
	Insurance	30.22	35.91
	Repairs & Maintenance	38.20	40.15
	Transport Charges	20.71	29.53
	Exchange Fluctuation	20.84	-
	Subcontract & Other Work Charges	9,977.27	12,222.91
	Total	10,172.59	12,389.16
24	EMPLOYEE BENEFIT EXPENSE		
	Salaries, Wages and other benefits	1,310.33	2,016.12
	Contribution to Provident Fund & other Funds	130.85	160.89
	Staff Welfare Expense	1.45	1.53
	Total	1,442.63	2,178.54
25	FINANCE COST		
	Interest	852.73	611.33
	Other borrowing cost	251.79	237.95
	Total	1,104.52	849.28

TERA SOFTWARE LIMITED
NOTES FORMING PART OF THE IND AS FINANCIAL STATEMENTS

Rupees in Lakhs

	Particulars	For the year ended	
		31-Mar-22	31-Mar-21
26	OTHER EXPENSES		
	Rates and Taxes	23.47	37.79
	Office Maintenance	2.95	7.50
	Communication Expense	6.16	7.09
	Conveyance Expense	26.02	1.78
	Travelling, Boarding & Lodging Expense	21.47	18.45
	Printing and Stationery	1.50	1.47
	Professional & Consultancy Expense	35.18	51.57
	Security Charges	-	1.28
	Directors' sitting fee	5.79	5.06
	Advertisement Expense	1.28	0.95
	Advances Written Off	0.11	-
	Bad Debts Written off	-	172.41
	Business Promotion	5.12	7.59
	Bank Charges and Others	3.15	2.97
	CSR Expenses	-	11.65
	Interest on late payment on GST / Service Tax	46.54	3.81
	Expected Credit Loss	140.68	203.59
	Repairs & Maintenance-Buildings	-	2.43
	Miscellaneous Expense	15.01	23.69
	Payment to Auditors		
	Statutory Audit fee	9.00	9.00
	Tax Audit Fee	3.00	3.00
	Other Services	1.00	2.00
	Total	347.43	575.08

27. Contingent Liabilities and Commitments not provided for

Particulars	As at March 31, 2022	As at March 31, 2021
(A) Contingent Liability		
<i>(a) Matters under litigation</i>		
Claims against the company not acknowledged as debt		
Bank Guarantee invoked by Andhra Pradesh State Fiber net Limited for which the Company has challenged the invocation with the High Court of Andhra Pradesh**	428.38	428.38
Service Tax / GST		
Disputed Service Tax Liability for which the company has filed an appeal with CESTAT -Hyderabad	830.97	830.97
Sales tax/VAT		
Disputed VAT liability for which the company has filed an appeal with Hon'ble Kerala Value Added Tax Appellate Tribunal, Kozhikode, Kerala.	166.27	166.27
Disputed VAT liability for which the company has filed an appeal with AP VAT Appellate Tribunal-Visakhapatnam	173.15	173.15

Orders issued by Appellate Deputy Commissioner (CT), Tirupathi :Disputed VAT liability for which the company has filed an appeal with AP VAT Appellate Tribunal - Visakhapatnam.	21.45	21.45
Orders issued by Deputy Commissioner (CT), Guntur Division : Disputed VAT liability for which the company has filed an appeal with AP VAT Appellate Tribunal - Visakhapatnam.	6.97	6.97
Orders issued by GST Department: Disputed GST Liability including interest for which Company has filed an appeals with Appellate Deputy Commissioner, Tirupathi	555.67	73.36
<i>(b) Impact of pending legal suits in various courts:</i>	-	-
The Company is a party to several legal suits on contract terms related disputes, pending before various courts in India as well as arbitration proceedings. It is not possible to make a fair assessment of the likely financial impact of these pending disputes / litigations until the cases are decided by the appropriate authorities	Amount not ascertainable	Amount not ascertainable
<i>(c) Guarantees</i>		
Bank Guarantees and Letters of credit issued by banks on behalf of Company	5796.28	9,352.75
(B) Commitments	NIL	NIL

** Bank guarantee invoked by "Andhra Pradesh State Fiber net limited" of Rs.428.38 Lakhs. The said action was challenged by the company before the division bench of Andhra Pradesh High Court, Amaravathi, which is pending. Based on the legal opinion given by the counsel, the company has not made any provision in its books of accounts.

28. Employee Benefits

The Liability for Gratuity has been determined by an actuary in conformity with the principle set out in Accounting Standard Ind AS - 19 (Revised) the details of which are as under:

Description	2021-22	2020-21
	(Rs in Lakhs)	(Rs in Lakhs)
1. Reconciliation of opening and closing balances of obligation		
a. Obligation as at the beginning of the year	170.12	229.52
b. Current Service Cost	18.92	17.53
c. Interest Cost	11.22	15.61
d. Actuarial (Gain)/Loss	(5.40)	97.39
e. Past services cost	-	-
f. Benefits Paid	(10.31)	(189.92)
g. Obligation as at the end of the year	184.55	170.12
2. Expense recognized in the period		
a. Current Service Cost	18.92	17.53
b. Interest Cost	11.22	15.61
c. Actuarial(Gain)/Loss	0.00	0.00
d. Past service cost	0.00	0.00
e. Expense recognized during the year	24.73	130.53
3. Assumptions	%	%
a. Discount Rate (per annum) as at the end of the year	7.12	6.80
b. Salary Rise	2.00	2.00
c. Attrition Rate	5.00	5.00

Sensitivity Analysis

Significant actuarial assumptions for the determination of the defined benefit obligation are discount rate, expected salary increase and mortality. The sensitivity analysis below have been determined based on reasonably possible changes of the assumption occurring at the end of the reporting period, while holding all other assumptions constant.

The result of sensitivity analysis is given below:

Particulars	31-Mar-22 (Ind AS-19)		31-Mar-21 (Ind AS-19)	
	Decrease	Increase	Decrease	Increase
Defined Benefit Obligation (Base)	1,84,54,912		1,70,11,942	
Discount Rate (- / + 1%)	1,96,57,544	1,73,96,166	1,81,49,178	1,60,14,708
(% change compared to base due to sensitivity)	6.52	(5.74)	6.68	(5.86)
Salary Growth Rate (- / + 1%)	1,62,01,779	2,11,78,816	1,48,81,079	1,95,98,538
(% change compared to base due to sensitivity)	(12.21)	14.76	(12.53)	15.20
Attrition Rate (- / + 1%)	1,76,26,091	1,91,75,627	1,23,30,874	1,45,04,887
(% change compared to base due to sensitivity)	(4.49)	3.91	(27.52)	(14.74)
Mortality Rate (- / + 10%)	1,84,32,662	1,84,77,0406	1,69,92,097	1,70,31,766
(% change compared to base due to sensitivity)	(0.12)	0.12	(0.12)	0.12

29. Segment Reporting

The Company's operations predominantly relate to providing Integrated Solutions, Technical Division, Projects Division and other Services to customers globally operating. Accordingly, the primary basis of segmental information set out in these financial statements and secondary segmental reporting is performed on the basis of the geographical location.

Income & Direct expenses in relation to segments are categorized based on items that are individually identifiable to that segment, while the remainders of the costs are allocated on the bases of available information. Certain expenses, which form a significant component of total expenses, are not specifically allocable to specific segments. The Company believes that it is not practicable to provide segmental disclosures relating to those costs and expenses and accordingly these expenses are separately disclosed as "unallocable" and directly charged against total income.

a. Business Segments :

Year ended March 31, 2022 and 2021

(Rupees in Lakhs)

	Integrated Solutions	Technical Division	Projects Division	Others	Unallocable	Total
Revenues	-	2,990.21	9,724.04	-	-	12,714.25
	58.20	1,699.09	14,314.94	-	-	16,072.23
Identified operating expenses	20.84	2,675.64	8,427.87	-	-	11,124.35
	188.01	1,503.48	12,629.12	-	-	14,320.61
Allocated Expenses	--	--	212.65	-	-	212.65
	--	--	317.62	-	-	317.62
Segmental operating income	(20.84)	314.36	1,083.52	-	-	1,377.25
	(129.81)	195.61	1,368.20	-	-	1,434.00
Unallocable expenses					673.51	673.51
					753.31	753.31

	Integrated Solutions	Technical Division	Projects Division	Others	Unallocable	Total
Operating income						703.74
						680.69
Other income/(expenses), net					264.90	264.90
					208.97	208.97
Net profit before Interest						968.64
						889.66
(Less): Interest Expenses					1,104.52	1,104.52
					849.28	849.28
Add: Interest Income					53.57	53.57
					112.34	112.34
Net profit before taxes						(82.31)
						152.71
Income Taxes						43.80
						141.30
Net Profit after taxes						(126.11)
						11.42
Other Information						
Segment Assets	592.67	1,338.04	19,919.43		5,290.63	27,139.77
	553.72	723.18	22,834.93		5,713.88	29,825.72
Segment Liabilities	822.69	989.05	6,681.30		18,647.72	27,140.76
	862.77	804.81	9,820.32		18,337.82	29,825.72
Capital Expenditure	--	--	--		--	--
	--	--	0.54		--	0.54
Depreciation	--	--	1.91		45.95	47.86
	--	--	4.59		55.87	60.46

30. Related Party disclosure

As per Indian Accounting Standard 24, the disclosures of transactions with the related parties as defined in the Accounting Standard and certified by the management are given below:

a) Name of Related Parties, relationship

Party Name	Relation	Transactions Entered During the Period YES/NO
Mr. T. Gopichand	Key Management Personnel (Chairman & Managing Director), Spouse of Mrs. T. Pavana Devi & Brother of T.Bapaiah Chowdary.	YES
Mrs. T. Pavana Devi	Director & Spouse of Mr.T. Gopichand.	YES
Mr.T..Bapaiah Chowdary	Director & Brother to the Chairman & Managing Director (Mr.T.Gopichand)	YES
Mr.T.Madhu Mitra	Son of Chairman & Managing Director	YES
Mr.T.Girish	Son of T.Bapaiah Chowdary	YES
Mrs. T. Vindhya	Daughter-In-law of Sri.T.Gopichand (Chairman & Managing Director) & Smt T. Pavana Devi, Director	YES
Mr.OduruBabu Reddy	Chief Financial Officer	Yes
Mr. Ch Mallikarjuna	Company Secretary	Yes

Transactions with Related parties:

Name of the related party	Mr. T. Gopichand	Mrs.T. Pavana Devi	Mr.T.Bapaiah Chowdary	Mr.T.Madhu Mitra Mrs.T.Vindhya & Mr. T.Girish
Description of the nature of transactions	a) Remuneration b) Unsecured Loan Received c) Interest on unsecured loan	a) Sitting Fees b) Unsecured Loan Received c) Interest on Unsecured Loans	a) Sitting Fee b) Supply of Goods	Salary
Volume of the transactions either as an amount or as appropriate proportion	a) Managerial Remuneration of Rs. 84.00 Lakhs (Rs. 84.00 Lakhs) b) Unsecured Loan Received of Rs.128.50 Lakhs (Rs.195.00 Lakhs) c) Interest on unsecured loan of Rs.34.50 Lakhs (Rs.19.63 Lakhs) d) Loan repaid of Rs.87.00 Lakhs (Rs.104.50 Lakhs)	a) Sitting Fee Paid Rs.0.79 Lakhs. (Rs.0.77 Lakhs) b) Unsecured Loan Received of Rs. 111.10 Lakhs (Rs.75.00 Lakhs) c) Interest on Unsecured Loans Rs.11.77 Lakhs (Nil)	a) Sitting Fee Paid Rs.1.19 Lakhs. (Rs.1.14 Lakhs) b) Total transaction value is Rs.NIL (Rs.NIL)	Salary of Rs.11.20 Lakhs, Rs. 10.38 Lakhs and Rs.7.08 Lakhs respectively (Rs.10.43 Lakhs, Rs.8.84 Lakhs and Rs.6.60 Lakhs Respectively)
Any other elements of the related party transactions	NIL	NIL	NIL	NIL
The amounts or appropriate proportions of outstanding items pertaining to related parties at the Balance Sheet date	a) Managerial Remuneration Payable Rs.303.87 Lakhs (Rs.265.76 Lakhs) b) Unsecured Loan including interest Rs.322.66 Lakhs (Rs.267.62 Lakhs)	a) Unsecured Loan including interest Rs.112.17 Lakhs (Rs.75.47 Lakhs)	Purchase of Goods Rs.21.29 Lakhs (Rs.21.29 Lakhs) NIL	Salary Payable of Rs.0.84 Lakhs, Rs.0.61 Lakhs and Rs.0.57 Lakhs respectively. (Rs.0.81 Lakhs, Rs.0.69 Lakhs and Rs. 0.57 Lakhs Respectively)
Provisions for doubtful debts due from such parties at that date and amounts written off or written back in the period in respect of debts due from or to related parties	NIL	NIL	NIL	NIL

Name of the related party	Mr. Oduru Babu Reddy, C.F.O.	Mr. Ch. Mallikarjuna, C.S.
Description of the nature of transactions	Salary	Salary
Volume of the transactions either as an amount or as appropriate proportion	Salary of Rs.15.01 Lakhs (Rs.12.87 Lakhs)	Salary of Rs.4.63 Lakhs (Rs. 0.60 Lakhs)
The amounts or appropriate proportions of outstanding items pertaining to related parties at the Balance Sheet date	Salary Payable of Rs.1.37 Lakhs (Rs. 1.56 Lakhs)	Salary Payable of Rs 0.69 Lakhs (Rs. 0.34 Lakhs)

31. Financial instruments:

Disclosure pursuant to Ind AS 107 “Financial Instruments: Disclosures” Capital Management

The company ensures financial flexibility and diverse sources of financing and their maturities to minimize liquidity risk while meeting investment requirements. The objectivity of company's capital management is to maximize the total shareholder return by optimizing cost of capital through flexible capital structure that supports growth. The company maintains financial strength to maintain/enhance credit ratings.

The Company determines the amount of capital required on the basis of budgets and estimates made annually and reviewing periodically the operating plan and long-term strategic plans. The company meets its funding requirement through internal accruals and long-term/short-term borrowings. The Company monitors the capital structure on the basis of Net debt to equity ratio and maturity profile of the overall debt portfolio of the Company.

For the purpose of capital management, capital includes issued equity capital, securities premium and all other revenue reserves. Net debt includes all long and short-term borrowings as reduced by cash and cash equivalents.

The following table summarizes the capital of the Company:

Rs. in Lakhs

Particulars	As at	As at
	March 31, 2022	March 31, 2021
A. Equity	10,738.82	10,864.92
B. Net debt		
Short-term borrowings and current portion of long-term debt	5,618.87	5,112.58
Add: Long-term debt	435.30	348.88
Less: Cash and cash equivalents	19.21	91.58
B.Total Net Debt	6,034.96	5,369.88
Total capital (A +B)	16,773.78	16,234.80

● Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Such changes in the values of financial instruments may result from changes in the foreign currency exchange rates, interest rates, credit, liquidity and other market changes. The Company's exposure to market risk is primarily on account of foreign currency exchange rate risk.

● Interest rate risk

The Company's total borrowings represent short term borrowings (WCDL) and the interest rate primarily basing on the Company's credit rating and also the changes in the financial market. Company continuously monitoring over all factors influence rating and also factors which influential the determination of the interest rates by the banks to minimize the interest rate risks.

● Foreign currency risk

The Company has several balances in foreign currency and consequently the Company is exposed to foreign exchange risk. The risk on Company's foreign currency changes commensurate with the size of the Company is not material. The Company evaluates exchange rate exposure arising from foreign currency transactions and follows established risk management policies.

We summarize below the financial instruments which have the foreign currency risks as at March 31, 2022, and March 31, 2021

The carrying amounts of the Company's substantial foreign currency denominated monetary assets and monetary liabilities based on gross exposure at the end of the reporting period is as under: (Rupees in Lakhs)

Currency	Liabilities		Advances	
	As at	As at	As at	As at
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
USD	10.7825(INR 817.39)	10.7825 (INR 792.57)	1.73 (INR 131.079)	1.73 (INR 127.09)

Sensitivity analysis of 2% change in exchange rate at the end of reporting period

Particulars	Foreign Currency Sensitivity	
	As at March 31, 2022	As at March 31, 2021
	INR	INR
2% Depreciation in INR		
Impact on P&L	(18.97)	(18.39)
Total	(18.97)	(18.39)
2% Appreciation in INR		
Impact on P&L	18.97	18.39
Total	18.97	18.39

Credit risk management

Credit Risk is the risk that a customer or counterparty to a financial asset fails to perform or pay the amount due causing financial loss to the company. The maximum exposure of the financial assets represents trade receivables and work in progress.

The Company has a prudent and conservative process for managing its credit risk in the course of its business activities. The risk on trade receivables, work in progress is limited as the customers of the company mainly consist of Government promoted entities having strong credit worthiness. For doubtful receivables the company uses a provision matrix to compute the expected credit loss allowances for trade receivables. The provision Matrix takes into account ageing of accounts receivables and the company's historical experience of the customers and financial conditions of the customers.

Liquidity risk management

Liquidity risk arises from the company's inability to meet its cash flow commitments on time. The Company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities. Assessment of maturity profiles of financial assets and financial liabilities including debt financing plans and maintenance of Balance Sheet liquidity ratios are considered while reviewing the liquidity position.

32. Other disclosure pursuant to Ind AS 107 “Financial instruments: Disclosures”:

(i) Category wise classification of applicable Financial Instruments: (Rs in Lakhs)

Sl. No.	Particulars	As at March 31,2022	As at March 31,2021
	Measured at Amortised cost		
(i)	Financial Assets		
	a. Trade receivables	18,349.68	19,716.89
	b. Cash & Cash Equivalents and bank balances (Includes Mar in Money Deposits)	1,004.11	1,377.36
	c. Other financial assets	1,770.45	2,723.34
	Total	21,124.24	23,817.59
(ii)	Financial Liabilities		
	Measured at Amortised cost		
	a. Borrowings	5,618.87	5,112.58
	b. Trade payables	8,120.41	10,629.97
	c. Other financial liabilities	1,203.32	1,402.40
	Total	14,942.60	17,144.95

(ii) Fair value of financial assets and financial liabilities measured at amortised cost:

Financial assets measured at amortised cost:

The carrying amounts of trade receivables and cash and cash equivalents are considered to be the same as their fair values due to their short-term nature. The carrying amounts of long term loans given with floating rate of interest are considered to be close to the fair value.

Financial liabilities measured at amortised cost:

The carrying amounts of trade and other payables are considered to be the same as their fair values due to their short term nature. The carrying amounts of borrowings with floating rate of interest are considered to be close to the fair value.

(iii) Maturity profile of financial liabilities (Rs. in Lakhs)

Particulars	As at March 31,2022			As at March 31,2021		
	Within Twelve Months	After Twelve Months	Total	Within Twelve Months	After Twelve Months	Total
Borrowings	5,618.87	-	5,618.87	5,112.58	-	5,112.58
Trade payables	8,120.41	-	8,120.41	10,629.97	-	10,629.97
Other financial liabilities	1,203.32	435.30	1,638.62	1,402.40	348.88	1,751.28

33. Deferred Tax

Tax charged to Profit and Loss account is after considering deferred tax impact for the timing difference between accounting income and taxable income.

The deferred tax Asset as at March 31, 2022 and March 31, 2021 comprise of the following:

(Rs. in Lakhs)

Particulars		As at March 31, 2022	As at March 31, 2021
A	Deferred Tax Liability / Asset		
1	Related to fixed assets	24.69	32.21
B	Deferred Tax Assets		
1	Disallowance under the Income tax Act,1961	310.27	300.41
C	Deferred tax (Liability) /Asset (net)	334.96	332.62

34. In order to comply with the requirement of the Micro, Small and Medium Enterprises Development Act, 2006, Company has sought confirmation from the vendors whether they are falling in the category of Micro/Small/Medium Enterprises. Based on the information available, the required disclosures are given below: (Rs. in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Principal amount remaining unpaid	271.31	353.77
Delayed payments due as at the end of each accounting year on account of Principal	271.31	353.77
Interest paid by the Company in terms of Section 16 of Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during the year.	-	--
Interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro, Small and Medium Enterprises Development Act, 2006.	77.87	14.02
Interest accrued and remaining unpaid as at March 31	77.87	14.02
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.	77.87	14.02

35. Corporate Social Responsibility (CSR) Expenditure

As per Section 135 of the Companies Act, 2013, a company, meeting the applicability threshold, needs to spent at least 2% of its average net profit for the immediately preceding three financial years on Corporate Social Responsibility (CSR) activities. The areas for CSR activities are education of hunger and malnutrition, promoting education, art and culture, healthcare, destitute care and rehabilitation, environment suitability, disaster relief, Covid-19 relief and rural development projects, A CSR committee has been formed by the company as per the Act. The funds were primarily utilized through the year on these activities which are specified in schedule VII of the Companies Act, 2013

Rs. in Lakhs

Particulars	FY 2021-22	FY 2020-21
Gross Amount required to be spent during the year	11.65	12.09
Earlier Years	40.38	28.29
Amount spent during the year in Cash		
i) On Construction / acquisition of any asset	Nil	Nil
ii) On purposes other than (i) above	44.48	Nil
Unspent Amount **	7.55	40.38

** Unspent amount of Rs 7,54,761/- has been transferred to a separate bank account as per the Companies Act

The Chairman of the Meeting inform the Committee that, as per new CSR Rules the unspent amount of Rs 7,54,761/- for the Financial Year 2020-21 on ongoing projects of CSR activities under taken by the Company for modernization / renovation of funeral cremation ground, Tenali, Guntur District, Andhra Pradesh is transferred to a separate bank account unspent Corporate Social Responsibility account on 30-04-2022 and shall be spent with in the stipulated time as per revised Rules.

Actual CSR Budget is Rs 11,64,761 for the Financial Year 2020-21 and shall be spent in the Financial Year 2021-22 as per Companies Act, 2013 and applicable CSR Rules. The CSR activities identified and spent the amounts during the financial year 2021-22 as follows for your information and to take note:

- 1) Rs 1,00,000/- sponsored to KVBR Walker's Association, Hyderabad on 24th September, 2021.

- 2) Rs 3,00,000/- contributed through M/s Sri Hanuman Mani Education and Culture Trust for construction of an Auditorium in Girls High School, Angalur Village, Krishna District, Andhra Pradesh.
- 3) Rs 10,000/- contributed partial amount for modernization / renovation of Funeral Cremation ground, Tenali, Guntur District, Andhra Pradesh.

36. Earnings Per Share

Rs. in lakhs

Particulars	FY 2021-22	FY 2020-21
Net Profit After Tax (Rs in lakhs)	(126.11)	11.42
Weighted Average Number of Equity shares of Rs.10 each (In lakhs)	125.12	125.12
Nominal Value of Shares	10	10
Earnings Per Share (Basic/Diluted) (In Rs.)	(1.04)	0.67

37. Disclosures of share holding of Promoters and promoters group

Rs. in lakhs

Shares held by Promoters at the end of the year 31 March 2022				% change during the year	As at 31 March 2021	
S. No.	Name of the Promoter and Promoter Group	No of shares held (in lakhs)	% of total shares		No of shares held (in lakhs)	% out of number of shares of the company
1	Tummala Gopichand	11.97	9.56%	0.00%	11.97	9.56%
2	Tummala Pavana Devi	5.75	4.59%	0.00%	5.75	4.59%
3	Tummala Madhu Mitra	8.41	6.72%	0.00%	8.41	6.72%
4	Tummala Rajasekhar	28.25	22.58%	0.00%	28.25	22.58%
5	Tummala Bapaiah Chawdary	0.93	0.74%	0.00%	0.93	0.74%
6	Tummala Tulsi Rani	0.54	0.43%	-0.01%	0.55	0.44%
7	N. Sri Durga	2.27	1.81%	0.00%	2.27	1.81%
8	Tummala Seetaramamma	1.37	1.09%	0.00%	1.37	1.09%

38. Ratios for the years ended March 31,2022 and 31st March 2021 are as follows:

	Particulars	Numerator	Denominator	31.03.2022	31.03.2021	Variance
a)	Current Ratio	Current assets	Current liabilities	1.45	1.38	7.00%
b)	Debt-Equity ratio	Total liabilities	Shareholders equity	1.55	1.75	-20.00%
c)	Debt service coverage ratio	Operating Income	Interest expenses	0.90	1.25	-35.00%
d)	Return on equity ratio	Net Income	Equity	(0.01)	-	-1.00%
e)	Inventory turnover ratio	Inventory	Turnover	0.02	0.02	0.00%
f)	Trade receivable turnover ratio	receivables	Turnover	1.47	1.24	23.00%
g)	Trade payable turnover ratio	Payables	Turnover	0.62	0.65	-3.00%
h)	net capital turnover ratio	Net assets	Turnover	0.91	0.73	18.00%
i)	net profit ratio	net profit	Turnover	(0.01)	-	-1.00%
j)	Return on capital employed ratio	net profit	Turnover	(0.01)	-	-1.00%
k)	Return on Investment	net income	Turnover	-	-	0.00%

39. Trade Receivables
Amount in Rs.

S.No.	Particulars	TOTAL	< 6 M	6 M - 1 Y	1 - 2 y	2 - 3 y	> 3 Y
	UNDISPUTED TRADE RECEIVABLES CONSIDERED GOOD						
1	A P S F L - A M C	44,30,864	-				44,30,864
2	A P S F L - AMC - PT	7,43,09,983			84,36,734	1,63,01,485	4,95,71,764
3	A P S F L - LMC	5,09,41,726			-	-	5,09,41,726
4	A P S F L LMC KKA	4,37,891			1,13,734	3,24,157	
5	APSFL - Mis - Works	3,38,26,747				1,23,13,037	2,15,13,710
6	APSFL-Set Top Boxes	5,94,955					5,94,955
7	AP State Fibermet Ltd (APSFL)	11,60,81,054					11,60,81,054
8	Alliance Enterprises LMC Dr	1,29,57,700	-				1,29,57,700
9	Apoorva IT Solutions	2,95,64,488	-				2,95,64,488
10	Amaravati Digital Net Pvt.Ltd.,	6,16,875	-				6,16,875
11	Amaravati Electronics Mfg. & Services P.L. ISD	4,83,104	-				4,83,104
12	Cache Peripherals Pvt.Ltd Dr.	48,82,380					48,82,380
13	Sunnet Solutions Pvt.Ltd.,	88,05,482					88,05,482
14	Yaga Technologies Private Limited ISD	12,10,829					12,10,829
15	Davanagere Smart City Limited	9,69,21,179	3,32,53,067	1,77,01,863	4,59,66,249		
16	DVVNL UPPL	6,03,18,529	6,03,18,529				
17	PVVNL UPPL	5,90,74,213	5,90,74,213				
18	ECIL - MSTD	66,34,898					66,34,898
19	E C I L - NPR- West Bengal	83,208		83,208			
20	GST Suvidha	8,13,125	8,13,125				
21	Jharkand Project (J A P I T)	9,91,20,607	9,91,20,607				
22	J Technologies India Limited	38,14,500			38,14,500		
23	Maharashtra IT Corporation Ltd.	11,19,132	11,19,132				
24	Nagaland State E Governance Society-Nagaswan	1,65,17,365					1,65,17,365
25	Odisha Power Transmission Corporation Ltd.,(OPTCL)	25,78,23,814	25,78,23,814				
26	WBSEDCL	13,37,84,114	8,03,30,125	5,34,53,989			
	Sub-total	1,07,51,68,762	59,18,52,613	7,12,39,060	5,83,31,217	2,89,38,679	32,48,07,193
	UNDISPUTED TRADE RECEIVABLES WHICH HAVE SIGNIFICANT INCREASE IN CREDIT RISK						
		-	-	-	-	-	-
	UNDISPUTED TRADE RECEIVABLES CREDIT IMPAIRED						
		-	-	-	-	-	-
	DISPUTED TRADE RECEIVABLES CONSIDERED GOOD						
1	A P S F L - BBNL	41,57,44,535			15,50,26,657	11,97,89,227	14,09,28,651
2	A P S F L - O & M Service	42,13,99,274			12,22,44,884	11,00,20,396	18,91,33,994
	Sub-total	83,71,43,809	-	-	27,72,71,541	22,98,09,623	33,00,62,645
	DISPUTED TRADE RECEIVABLES WHICH HAVE SIGNIFICANT INCREASE IN CREDIT RISK						
		-	-	-	-	-	-
	DISPUTED TRADE RECEIVABLES CREDIT IMPAIRED						
		-	-	-	-	-	-
	Grand Total	1,91,23,12,571	59,18,52,613	7,12,39,060	33,56,02,758	25,87,48,302	65,48,69,838

40. Unbilled dues from the clients:

Amount in Rs.

S.No.	Particulars	TOTAL	< 6 M	6 M - 1 Y	1 - 2 y	2 - 3 y	> 3 Y
1	Unbilled Receivable AP BBNL	8,25,42,353			21,96,681	8,03,45,672	
2	Unbilled Receivable APSFL O&M 24F	1,48,73,335			1,48,73,335		
3	Unbilled Receivable Odisha BBNL	6,64,98,950	6,64,98,950				
4	Unbilled Receivables Davanagere	1,04,09,707	1,04,09,707				
	Total	17,43,24,345	7,69,08,657	-	1,70,70,016	8,03,45,672	-

41. Trade Payables

Amount in Rs.

S.No.	Particulars	TOTAL	< 1 Y	1 - 2 y	2 - 3 y	> 3 Y
	(i) MSME					
1	Luminex Technosys Private Ltd	2,71,31,132	2,71,31,132			
		2,71,31,132	2,71,31,132	-	-	-
	(ii) OTHERS					
1	77 Infosystems Pvt Ltd LMC KKA	3,52,914			3,52,914	
2	Aabmatica Technologies Pvt.Ltd.,	43,73,971	43,73,971			
3	Ajit Kumar Panigrahi -Odisha BBNL	6,52,400	6,52,400			
4	Altice Labs,S.A.	8,17,39,188	24,82,568	(20,28,408)	2,33,83,648	5,79,01,380
5	Amillion Technologies Pvt.Ltd.,	9,82,47,522	9,82,47,522			
6	Asthavinayak Consultancy Services	1,07,252	-	1,07,252		
7	B.Ganga Raju	29,658			29,658	
8	BSNL MUMBAI	89,86,630				89,86,630
9	BVM IT Consulting Services India Pvt. Ltd-Sub Cont.	31,36,753	31,36,753			
10	Devkishan Computer Pvt Ltd-Gujarat-PDS-BME	21,51,000				21,51,000
11	Favourite Tools(International)	18,968			18,968	
12	Forgee Infotech - Setu Nashik	18,35,080	18,35,080			
13	Fujiyama Power Systems Pvt.Ltd.,	35,82,454	35,82,454			
14	Hiliks Technologies Limited	10,61,53,118	10,61,53,118			
15	H S Engineering Works	55,889	55,889			
16	Inflow Technologies Pvt. Ltd.	6,71,165	6,71,165			
17	JRS Global Networks Pvt.Ltd.,	72,159	72,159			
18	K P Industries	79,233	79,233			
19	Libo Interior Solutions Pvt. Ltd.	20,129	20,129			
20	Lucky Constructions - Davanagere	21,912	21,912			
21	LVR Contract Works	58,351			58,351	
22	Mahalaxmi Concreto	3,54,000	3,54,000			
23	Maha Technologies	1,76,000				1,76,000
24	Manifold E-Connect Limited	2,67,38,324	2,67,38,324			
25	Megha Pro Tech Systems Pvt. Ltd. - Davanagere	7,98,624	7,98,624			
26	Microcare Computers Pvt.Ltd	5,27,575				5,27,575
27	MTNL,MUMBAI	28,84,151				28,84,151
28	Neelachal Concrete Products Pvt.Ltd.,	51,920	51,920			
29	Netops Fiber Solutions-LMC Work	1,03,57,844				1,03,57,844
30	NETOPS FIBER SOLUTIONS-MAINTENANCE	4,99,17,139			4,99,17,139	
31	Power-One Micro Systems (P) Ltd.,	7,16,303	7,16,303			
32	Praptham Tech Solutions Pvt Ltd	10,00,000	10,00,000			
33	Precision Instruments Corporation	34,670		-	34,670	
34	RAH Infotech Pvt. Ltd. - Davanagere	30,97,500	30,97,500			

42. CAPITAL WORK IN PROGRESS:

There is no capital work in progress for the period under consideration.

43. DETAILS OF BENAMI PROPERTY HELD

There were neither any proceedings initiated nor pending against the Company during the period.

44. WILLFUL DEFAULTER:

The company has not been declared as willful defaulter by any Bank or any financial institution during the period.

45. REGISTRATION OF CHARGES OR SATISFACTION WITH REGISTRAR OF COMPANIES (ROC):

There were neither any pending registration of charges or satisfaction with registrar of companies.

46. Figures for the corresponding year ended March 31, 2022, wherever necessary, have been regrouped, recast, rearranged as per the Schedule III of Companies Act, 2013.

As per our report of even date attached

For Mullapudi & Co.,

Chartered Accountants

FRN: 006707S

CA. B. Krishna Sivaram Apparao

Partner

M. No: 226476

T.PavanaDevi

Director

DIN: 00107698

T.Gopichand

Chairman & Managing Director

DIN: 00107886

Place: Hyderabad

Date: 30.05.2022

Oduru Babu Reddy

Chief Financial Officer

Mallikarjuna Ch

Company Secretary

Memb.No.A47545



TERA SOFTWARE LIMITED

CIN: L72200TG1994PLC018391

Registered Office: # 8-2-293/82/A/1107, Plot No. 1107, Road No.55, Jubilee Hills,

Hyderabad-500033, Telangana, India - Tel: +91-40-23547447

Website: www.terasoftware.com, Email: companysecretary@terasoftware.in

Form No. MGT-11

Proxy form

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

Regd. Folio No.:	Regd. Folio No.:
No. of Shares held:	Client ID:

I/We, _____ being the member (s) of Tera Software Limited holding _____ equity shares of the above named company, hereby appoint

1.	Name:	
	Address:	
	E-mail Id:	
	Signature:	

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 28th Annual General Meeting of the Company, to be held on Saturday, the 24th day of September, 2022 at 12:30 p.m. at Plot No. 38 & 39, Kavuri Hills, 100ft Road, Madhapur, Jubilee Hills, Hyderabad-500 033, Telangana, India and at any adjournment thereof in respect of such resolutions indicated below:

Resolution No.	Particulars
Ordinary Business	Ordinary Resolutions
1.	To consider and adopt the Audited Standalone Financial Statements of the Company for the financial year ended 31st March, 2022, together with the Reports of the Board of Directors and the Auditors' thereon.
2.	To appoint a Director in place of Mr. Tummala Bapaiah Chowdary, Director (DIN: 00107795), who retires by rotation and being eligible, offers himself for re-appointment.
3.	To appoint M/s Narven Associates, as Statutory Auditors of the Company from the conclusion of this 28th Annual General Meeting until the conclusion of the 33rd consecutive Annual General Meeting and to fix their remuneration:
Special Business	Special Resolution
4	To appoint Dr. Braja Bandhu Nayak (DIN: 09702361) as an Independent Director

Affix Revenue Stamp Signed this..... day of September, 2022

Signature of shareholder: _____

Signature of Proxy holder(s): _____

Affix
Revenue
Stamp

Note: 1) This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.

2) The Proxy need not be a member of the Company.

TERA SOFTWARE LIMITED

CIN: L72200TG1994PLC018391

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Hyderabad-500033, Telangana, India - Tel: +91-40-23547447

Website: www.terasoftware.com, Email: companysecretary@terasoftware.in

ATTENDANCE SLIP

(To be handed over at the entrance of the meeting hall)

28th Annual General Meeting on 24th September, 2022

Full name of the members attending: _____

Regd. Folio No.:	Regd. Folio No.:
No. of Shares held:	Client ID:

I hereby record my presence at the 28th Annual General Meeting of the Tera Software Limited held on Saturday, 24th September, 2022 at 12:30 p.m. at Plot No. 38 & 39, Kavuri Hills, 100ft Road, Madhapur, Jubilee Hills, Hyderabad-500 033, Telangana, India

(Member's /Proxy's Signature)

Note:

- 1) Members are requested to bring their copies of the Annual Report to the meeting, since further copies will not be available.
- 2) The Proxy, to be effective should be deposited at the Registered Office of the Company not less than FORTY EIGHT HOURS before the commencement of the meeting.
- 3) A Proxy need not be a member of the Company.
- 4) The submission by a member of this form of proxy will not preclude such member from attending in person and voting at the meeting.
- 5) In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by Proxy, shall be accepted to the exclusion of the vote of the other joint holders. Seniority shall be determined by the order in which the names stand in the Register of Members.
- 6) In terms of the Requirements of the Secretarial Standard on General Meetings (SS-2) issued by the Institute of the Company Secretaries of India; route map for the location of the venue of the 28th Annual General Meeting is given below:

TERA SOFTWARE LIMITED

CIN: L72200TG1994PLC018391

Registered Office: # 8-2-293/82/A/1107, Plot No. 1107, Road No.55, Jubilee Hills,
Hyderabad-500033, Telangana, India - Tel: +91-40-23547447

Website: www.terasoftware.com, Email: companysecretary@terasoftware.in

Form No.MGT-12

POLLING PAPER

(To be handed over at the entrance of the meeting hall)

(Pursuant to Section 109(5) of the Companies Act, 2013 and Rule 21(1)I of the Companies (Management and Administration Rules, 2014)

CIN	L72200TG1994PLC018391		
Name of the Company	Tera Software Limited		
Registered Office	# 8-2-293/82/A/1107, Plot No. 1107, Road No.55, Jubilee Hills,Hyderabad-500033, Telangana, India		
Name of the member(s)			
Registered Address			
E-mail Id			
Folio No./Client ID		DP ID	
Number of Equity shares held			

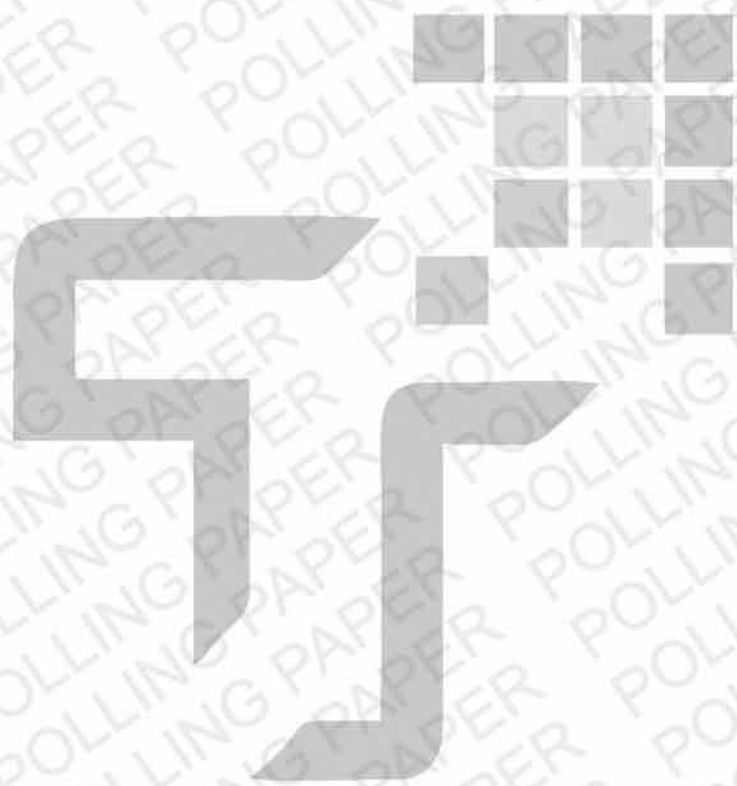
In respect of 28th Annual General Meeting of the Company held on Saturday, 24th September, 2022 at 12:30 p.m. I hereby exercise my vote in respect of Ordinary/ Special Resolutions enumerated below by recording my assent or dissent to the said Resolutions in the following manner:

Sl. No.	Resolution (s)	Vote	
		For	Against
Ordinary Business	Ordinary Resolutions		
1	To consider and adopt the Audited Standalone Financial Statements of the Company for the financial year ended 31st March, 2022, together with the Reports of the Board of Directors and the Auditors' thereon.		
2	To appoint a Director in place of Mr. Tummala Bapaiah Chowdary, Director (DIN:00107795), who retires by rotation and being eligible, offers himself for re-appointment.		
3	To appoint M/s Narven Associates, as Statutory Auditors of the Company from the conclusion of this 28th Annual General Meeting until the conclusion of the 33rd consecutive Annual General Meeting and to fix their remuneration:		
Special Business	Special Resolution		
4	To appoint Dr. Braja Bandhu Nayak (DIN: 09702361) as an Independent Director		

Place: Hyderabad

Date:

(Signature of the Shareholder / Proxy)



AGM VENUE ROUTE MAP



Hotel Jubilee Ridge

📍 Extension, Plot No. 38 & 39, Rd Number 36, Kavuri Hills, Jubilee Hills, Madhapur, Telangana 500033

🌐 hoteljubileeridge.com

☎ 040 4567 9999



TERA SOFTWARE LIMITED

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