

TERA SOFT

Redefining IT Solutions

TERA SOFTWARE LIMITED

Regd. Office : # 8-2-293/82/A/1107,

Road Number 55, Jubilee Hills,

Hyderabad, Telangana 500033.

Tel : +91-40-2354 7447

E-mail : info@terasoftware.in

www.terasoftware.com

September 04, 2025

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 31st Annual General Meeting, Annual Report for FY 2024-25 and Intimation of E-Voting facility

Pursuant to Regulation 30 and 34 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), kindly find enclosed herewith Notice of the 31st Annual General Meeting ("AGM") of the Members of the Company scheduled to be held on Friday, September 26, 2025 at 04:00 P.M. (IST) at the Registered Office of the Company at MCH No. 8-2-293/82/A/1107, Plot No: 1107, Road No: 55, Jubilee Hills, Hyderabad-500 033, Telangana, India, along with the Annual Report for the financial year 2024-25.

Kindly note that the 'Record Date' for the purpose of dividend will be Friday, September 19, 2025. In compliance with the provisions of the applicable regulations and relevant circulars, the AGM Notice and Annual Report for the financial year 2024-25 is being sent through e-mail to all those Members whose e-mail addresses are registered with the Company/Registrar and Share Transfer Agent ("RTA") or their respective Depository Participant and is also available on the Company's website at <https://terasoftware.com/annualreports>. Additionally, in compliance with Regulation 36(1)(b) of the SEBI Listing Regulations, a letter containing web-link, including the exact path, to access the Annual Report for FY 2024-25, is being sent to all those shareholders whose e-mail addresses is not registered with the Company/RTA/Depository Participants. As per Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management & Administration) Rules, 2014 and Regulation 44 of the SEBI Listing Regulations, the Company is providing the facility to cast vote by electronic means (Remote e-voting prior to AGM and e-voting during the AGM) on all resolutions set out in the Notice of 31st AGM to those shareholders, who are holding shares either in physical or in electronic form as on the cut-off date i.e. Friday, September 19, 2025. The remote e-voting will commence on Tuesday, September 23, 2025 (9:00 A.M.) and end on Thursday, September 25, 2025 (5:00 P.M.). Detailed instructions for, inter-alia, remote e-voting prior to AGM and voting at the AGM are mentioned in the said Notice. This is for your information and record.

Thanking You,

Yours faithfully,
For TERA SOFTWARE LIMITED


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



ANNUAL REPORT

2024-2025



TERA SOFT
Redefining IT Solutions

**TERA
SOFTWARE LIMITED**

BOARD OF DIRECTORS



Sri. T. Gopichand
Chairman & Managing Director



Sri. T. Madhu Mitra
Whole-Time Director



Sri. Divakar Atluri
Independent Director



Prof. Dr. Braja Bandhu Nayak
Independent Director



Smt. V. Usha Rani
Independent Director



Sri. T. Bapaiah Chowdary
Non-Executive Director

Davanagere Smart City Infrastructure Award

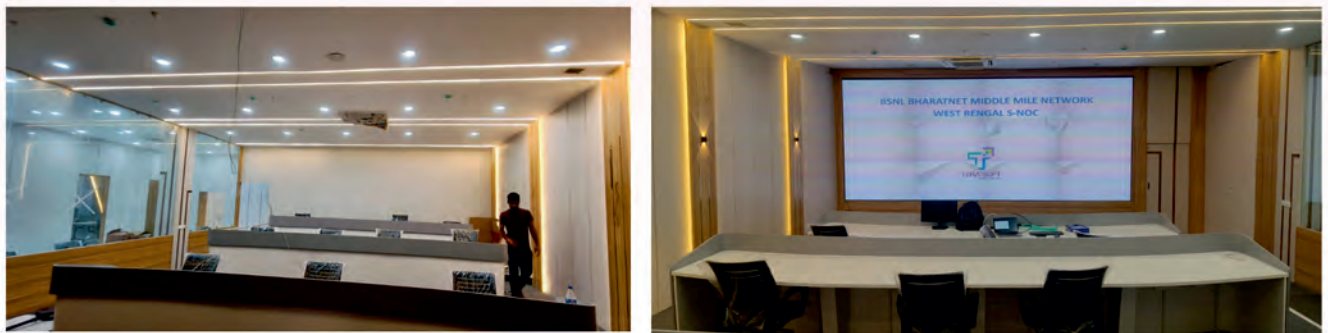
Excellence Award



BSNL BharatNet Middlemile Network Project



Himachal Pradesh : S-NOC Server Room

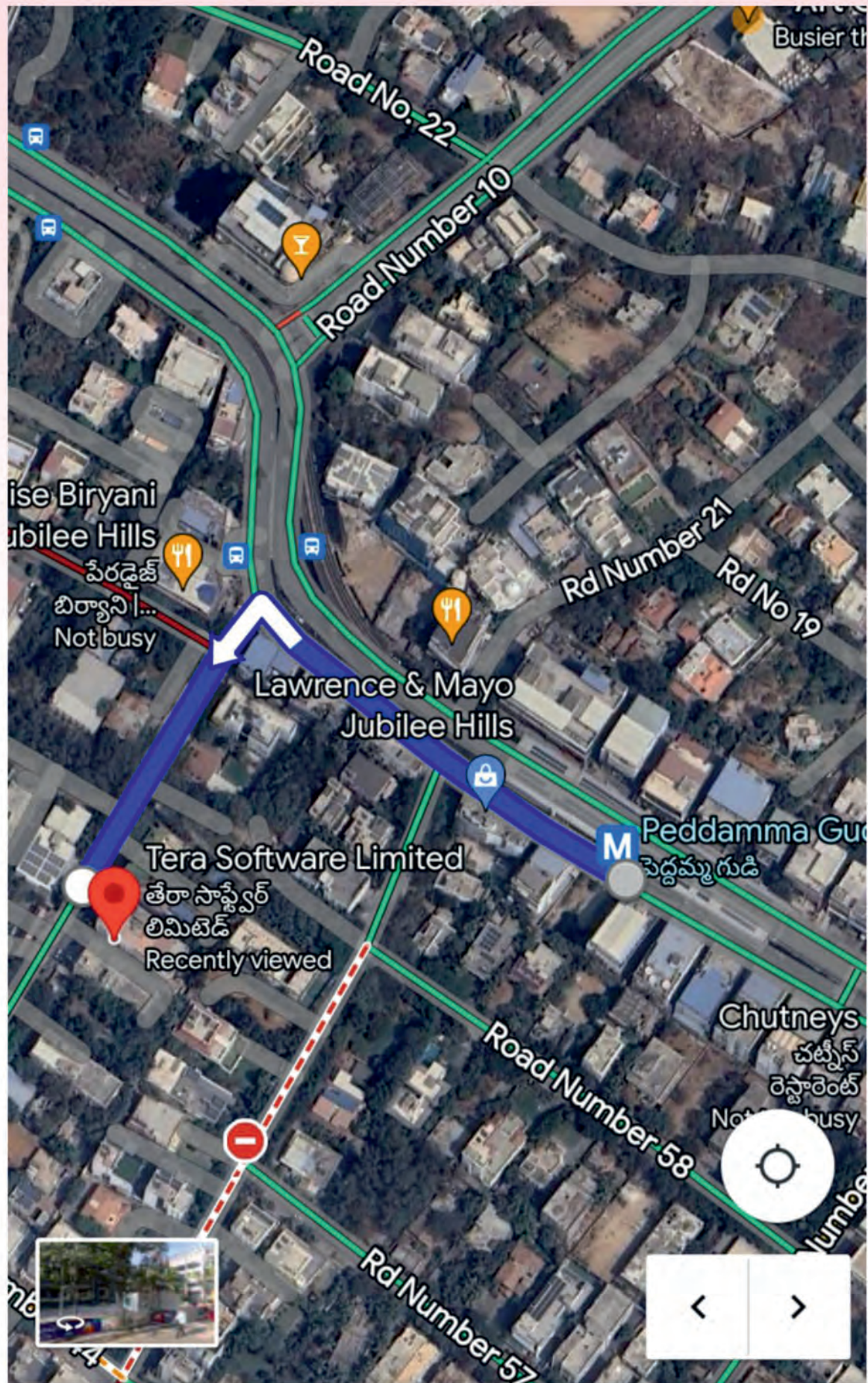


West Bengal S-NOC Control Room



DVVNL - UP (Spot Billing Project)

31st AGM Venue Route Map



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CORPORATE OVERVIEW

About Tera Software Limited (TSL)

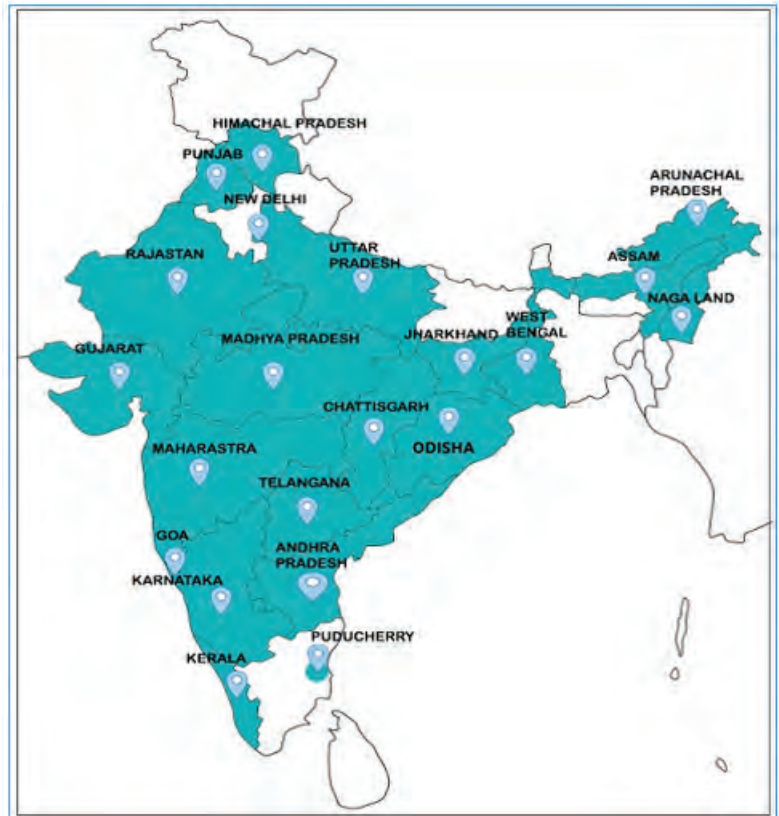
Tera Software Limited (TSL), incorporated in 1994 and headquartered in Hyderabad, Telangana is one of India's pioneering companies dedicated exclusively to e-Governance and IT-enabled solutions. Over the last three decades, TSL has played a significant role in driving digital transformation across several State and Central Government departments, enabling transparency, accountability, and efficiency in public service delivery.

With operations spread across 22 Indian States, TSL has partnered with governments and public sector undertakings to implement large-scale projects in areas such as Sales Tax/GST, Public Distribution System, Registration, Road Transport, Aadhaar, NPR, Electricity Billing, Smart Metering, Smart Cities, and IT Infrastructure management.

TSL's rare distinction lies in being a pure-play Indian e-Governance company, providing end-to-end solutions — from design and development to deployment, maintenance, and facility management.

Geographical Presence

The Company's operations span across diverse geographies including Maharashtra, Karnataka, Jharkhand, Kerala, West Bengal, New Delhi, Gujarat, Himachal Pradesh, Rajasthan, Goa, Nagaland, Puducherry, Madhya Pradesh, Uttar Pradesh, Assam, Andhra Pradesh, and Odisha.



Service Portfolio

- ❖ Public Distribution System (Ration Cards)
- ❖ Sales Tax Automation (e-Challans)
- ❖ Registration of Land Records
- ❖ Road Transport and Vehicle Registration Systems
- ❖ Total Revenue Management & Spot Billing Solutions
- ❖ Computer Education in Schools
- ❖ FiberNet Infrastructure Development
- ❖ Preparation of Modern Record Rooms
- ❖ Aadhaar Enrolment & NPR (National Population Register) Creation
- ❖ Common Services Centres
- ❖ IT Infrastructure & Facility Management Services for Government Departments
- ❖ Smart Metering Solutions
- ❖ Smart Cities Mission Implementation

Key Projects & Achievements

New Contracts:

- ❖ **BSNL BharatNet Phase-III Middlemile Project (₹7,005.55 Cr. Consortium)**
 TSL's share: ₹3,502.78 Cr. | For Design, Supply, Construction, Installation, Upgradation, Operation and Maintenance of Middle Mile Network of BharatNet on Design Build Operate and Maintain (DBOM) model across Himachal Pradesh, West Bengal & North-East Region-II in consortium with ITI Ltd., Bengaluru.

Project Period: Execution: 3 years and Maintenance: 7 years

❖ **Spot Billing System Projects – DISCOMs, Uttar Pradesh (₹600+ Cr.)**

Completed Projects:

PVVNL: ₹169.66 Cr. (Meerut, Saharanpur & Noida Zones, 2021–2024).

DVVNL: ₹166.32 Cr. (Agra-I, Agra-II & Aligarh Zones, 2021–2024).

Ongoing Projects:

PUVVNL: ₹107.65 Cr. (Azamgarh & Basti Zones, 2025–2027).

DVVNL: ₹75.40 Cr. (Agra, Firozabad & Kanpur-2 Zones, 2025–2027).

MVVNL: ₹90.06 Cr. (Lucknow, Devipatan & Raibareilly Zones, 2025–2027).

❖ **Odisha BharatNet Phase-II Project (₹562.08 Cr.) Completed in 2022:**

Survey, design, supply, installation, integration, testing & commissioning of OFC (Aerial) GPON Network covering 20,363 km across 3,065 Gram Panchayats. Includes 3 years of Comprehensive AMC from December 2024.

❖ **Modern Record Rooms Project, Jharkhand (₹62.26 Cr.)**

Digitization of land and revenue records using Document Management Software, including supply & installation of hardware across 38 locations.

❖ **Davanagere Smart City Project, Karnataka (₹74.84 Cr.)**

Implementation of Smart City ICT solutions including Command Control Centre, Secondary Control Centre, City Surveillance, Integrated Traffic Management System (ITMS), Variable Message Sign Boards, Public Address Systems, Environmental Sensors, and E-Learning Centres. AMC for 5 years from December 2022.

❖ **e-Mahabhoomi Project, Maharashtra (₹46.70 Cr.)**

Scanning and digitization of cadastral maps across 14 districts for the Land Records Department, implemented through BEL (2022–2025).

Mission:

To provide innovative IT-enabled solutions that empower governments, enterprises, and communities to achieve maximum efficiency, transparency, and effectiveness in service delivery.

Vision:

To be a global leader in IT-enabled governance solutions, transforming the way societies operate and enabling inclusive digital growth.

Core Values:

TSL committed to upholding our core values in all aspects of our business operations. Our core values define who we are as a company and guide our decisions and actions.

- ❖ **Customer Focus:** Clients' success is our success.
- ❖ **Excellence:** Commitment to the highest standards and continuous improvement.
- ❖ **Integrity:** Ethical, transparent, and accountable conduct.
- ❖ **Teamwork:** Collaboration, respect, and diversity.
- ❖ **Innovation:** Driving creativity and adopting emerging technologies.

Quality Philosophy

TSL places utmost emphasis on quality assurance and customer satisfaction. Each project is guided by a robust QA framework designed to ensure scalability, reliability, and compliance with professional standards. This focus on quality has enabled TSL to consistently deliver mission-critical e-Governance solutions across India.

Tera Soft Accreditations:

- ISO/IEC 20000-1:2018 for Service Management
- ISO/IEC 27001:2022 for Information Security Management System
- CMMI Level-3 for Software Development & Services
- ISO 9001:2015 for Quality Management System

TERA SOFTWARE LIMITED

CIN: L72200TG1994PLC018391

BOARD AND COMMITTEES

BOARD OF DIRECTORS

Sri. T. Gopichand

Chairman & Managing Director
(DIN: 00107886)

Sri. T. Madhu Mitra

Whole-Time Director
(DIN: 07124242)

Sri. Divakar Atluri

Independent Director
(DIN: 00033386)

Prof. Dr. Braja Bandhu Nayak

Independent Director
(DIN: 09702361)

Smt. V. Usha Rani

Independent Director
(DIN: 03601565)

Sri. T. Bapaiah Chowdary

Non-Executive Director
(DIN: 00107795)

**Executive Officers (KMP)
(Otherthan MD & WTD)**

Kum. D. Pravallika

Chief Financial Officer

Sri. Ch. Mallikarjuna

Company Secretary &
Compliance Officer
(M.No. A47545)

Senior Management

Sri T. Rajasekhar
Vice President (Applications)

BOARD COMMITTEES

Audit Committee

Sri. Divakar Atluri, Chairman (Independent Director)
Prof. Dr. Braja Bandhu Nayak (Independent Director)
Smt. V. Usha Rani (Independent Director)
Sri. T. Bapaiah Chowdary (Non-Executive Director)

Nomination & Remuneration Committee

Smt. V. Usha Rani (Independent Director)
Prof. Dr. Braja Bandhu Nayak (Independent Director)
Sri. T. Bapaiah Chowdary (Non-Executive Director)

Stakeholders Relationship Committee

Sri. T. Bapaiah Chowdary, Chairman (Non-Executive Director)
Prof. Dr. Braja Bandhu Nayak (Independent Director)
Sri. Divakar Atluri (Independent Director)

Corporate Social Responsibility Committee

Prof. Dr. Braja Bandhu Nayak (Independent Director)
Sri. Divakar Atluri (Independent Director)
Sri. T. Gopichand (Managing Director)

Borrowing Committee (Dissolved w.e.f. 16-05-2025)

Sri. T. Gopichand, Chairman (Managing Director)
Prof. Dr. Braja Bandhu Nayak (Independent Director)
Sri. T. Madhu Mitra (Whole-Time Director)

Debtors Review Committee

(Sub-committee of Audit committee)

Sri. T. Gopichand, Chairman (Managing Director)
Sri. Divakar Atluri, (Independent Director)
Prof. Dr. Braja Bandhu Nayak, (Independent Director)

Management Committee (Constituted w.e.f. 16-05-2025)

Sri. T. Gopichand, Chairman (Managing Director)
Sri. Divakar Atluri (Independent Director)
Sri. T. Madhu Mitra (Whole-Time Director)

TERA SOFTWARE LIMITED

CIN: L72200TG1994PLC018391

COMPANY INFORMATION

CIN	L72200TG1994PLC018391
Company Name	TERA SOFTWARE LIMITED
ROC Name	ROC Hyderabad
Registration Number	018391
Date of Incorporation	26/09/1994
Email Id	companysecretary@terasoftware.in companysecretary@terasoftware.com
Registered Address	MCH No: 8-2-293/82/A/1107, Road No.55, Plot No.1107, Jubilee Hills, Hyderabad-500033, Telangana, India
Listed in Stock Exchanges	BSE Limited (BSE) - Scrip Code : 533982 National Stock Exchange of India Limited (NSE) Scrip Symbol : TERASOFT
Category of Company	Company limited by shares
Subcategory of the Company	Non-government company
Class of Company	Public
ACTIVE compliance	ACTIVE Compliant
Authorised Capital (Rs)	25,00,00,000
Paid up Capital (Rs)	12,51,18,750
Date of last AGM	09/09/2024
Company Status	Active
Jurisdiction	
ROC (name and office)	ROC Hyderabad
RD (name and Region)	RD, South East Region
Website	www.terasoftware.com
Statutory Auditors	M/s Narven Associates, Hyderabad
Secretarial Auditors	M/s RPR & Associates, Hyderabad
Bankers	Bank of Maharashtra, Canara Bank
Registrar & Transfer Agents	M/s KFIN Technologies Limited, Hyderabad



NOTICE

Notice is hereby given that the 31st Annual General Meeting (AGM) of the Members of **Tera Software Limited ("the Company")** will be held on **Friday, the September 26, 2025 at 4:00 pm** at the **Registered Office: # 8-2-292/82/ A/1107, Plot No.1107, Road No.55, Jubilee Hills, Hyderabad – 500 033, Telangana, India**, to transact the following business:

ORDINARY BUSINESS:

Item No.1

To consider and adopt the Audited Standalone and Consolidated Financial Statements of the Company for the Financial Year ended March 31, 2025, together with the Reports of the Board of Directors and Auditors thereon.

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

"RESOLVED THAT the Audited Standalone and Consolidated Financial Statements of the Company for the financial year ended 31 March, 2025 and the Reports of the Board of Directors and Auditors thereon, as circulated to the Members, be and are hereby considered and adopted."

Item No.2

To declare dividend on Equity Shares.

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

"RESOLVED THAT pursuant to the provisions of Sections 123 and 127 and other applicable provisions, if any, of the Companies Act, 2013, read with the relevant rules made thereunder, and in accordance with the provisions of the Articles of Association of the Company, a final dividend of ₹1/- (Rupee One only) per equity share of face value ₹10/- each, be and is hereby declared for the financial year ended March 31, 2025, to the equity shareholders of the Company.

RESOLVED FURTHER THAT the final dividend shall be paid to those shareholders whose names appear in the Register of Members and/or in the records of the Depositories as beneficial owners of the equity shares as on the Record Date, i.e., September 19, 2025, as determined by the Board.

RESOLVED FURTHER THAT the Board of Directors of the Company (including any Committee thereof) and/or the Company Secretary be and are hereby authorized to take all necessary steps for the purpose of distribution of dividend, including filing of necessary forms with the Registrar of Companies, and to do all such acts, deeds, matters, and things as may be required in this connection."

Item No.3

To consider and appoint a Director in place of Mr. Madhu Mitra Tummala (DIN: 07124242), who retires by rotation and being eligible, has offered himself for re-appointment.

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

"RESOLVED THAT pursuant to the provisions of Section 152 and other applicable provisions of the Companies Act, 2013, and Rules made thereunder (including any statutory modification(s), amendment(s), clarification(s), substitution(s) or re-enactment(s) thereof for the time being in force), Mr. Madhu Mitra Tummala (DIN: 07124242), who retires by rotation at this meeting, being eligible and willing for re-appointment be and is hereby appointed as a Director of the Company, liable to retire by rotation."

SPECIAL BUSINESS:

Item No.4

Approval of material Related Party Transactions with TS Innovations Private Limited

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

"RESOLVED THAT pursuant to Regulation 23 of the Securities and Exchange Board of India ("SEBI") (Listing Obligations and Disclosure Requirements) Regulations, 2015, ("Listing Regulations") as amended from time to time and as per Section 188 and other applicable provisions of the Companies Act, 2013 ("the Act") and Rules framed thereunder (including any statutory modification(s), amendment(s), clarification(s), substitution(s) or re-enactment(s) thereof for the time being in force), and the Company's Policy on Related Party Transactions, based on the recommendations of the Audit Committee and Board of Directors, the consent of the Members of the Company be and is hereby accorded to enter into contract(s)/ arrangement(s)/ transaction(s) (whether by way of an individual transaction or transactions taken together or series of transactions or otherwise) with TS Innovations Private Limited (TSIPL), a Subsidiary Company of Tera Software Limited ("the Company") and accordingly a related party under section 2(76) of the Act and Regulation 2(1)(zb) of the Listing Regulations, on such terms and conditions as may be agreed between the Company and TSIPL, for an aggregate value of up to 100 Crore (Rupees One Hundred Crore only) on an annual basis for any given financial year, subject to such contract(s)/arrangement(s)/ transaction(s) being carried out at arm's length and in the ordinary course of business of the Company.

RESOLVED FURTHER THAT the Board, be and is hereby authorised, to do and perform all such acts, deeds, matters and things, as may be necessary, including finalising the terms and conditions, methods and modes in respect thereof and finalising and executing necessary documents, including contract(s), agreement(s) and such other documents, file applications and make representations in respect thereof and seek approval from relevant authorities, including Governmental/regulatory authorities, as applicable, in this regard and deal with any matters, take necessary steps as the Board may, in its absolute discretion deem necessary, desirable or expedient, to give effect to this resolution without being required to seek any further consent or approval of the Members or otherwise to the end and intent that the Members shall be deemed to have given their approval thereto expressly by the authority of this resolution.

RESOLVED FURTHER THAT the Board, be and is hereby authorised to delegate all or any of the powers herein conferred to the Committee of the Board or to any Director(s) or Officer(s) / Authorised Representative(s) of the Company, to do all such acts and take such steps, as may be considered necessary or expedient, to give effect to the aforesaid resolution(s).

RESOLVED FURTHER THAT all actions taken by the Board or any person so authorized by the Board, in connection with any matter referred to or contemplated in any of the foregoing resolutions, be and are hereby approved, ratified and confirmed in all respects.

RESOLVED FURTHER THAT any of the Directors and/or the Key Managerial Personnel of the Company, be and are hereby severally authorized to do all such acts, deeds, matters and things as may be deemed proper, necessary, or expedient, including filing the requisite forms with the Ministry of Corporate Affairs or submission of documents with any other authority, for the purpose of giving effect to this Resolution and for matters connected therewith or incidental thereto and to settle all questions, difficulties or doubts that may arise in this regard at any stage without requiring the Board to secure any further consent or approval of the Members of the Company to the end and intent that the Members shall be deemed to have given their approval thereto expressly by the authority of this resolution.”

Item No.5

Appointment of M/s RPR & Associates as Secretarial Auditors of the Company

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

“RESOLVED THAT pursuant to the provisions of Section 204(1) of the Companies Act, 2013 read with Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, including any amendments thereto, and all other applicable provisions and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, circulars, if any, based on the recommendations of the Audit Committee and the Board of Directors, M/s. RPR & Associates, Practicing Company Secretaries, Hyderabad, be and are hereby appointed as the Secretarial Auditors of the Company, for a term of five (5) consecutive years, commencing from the Financial Year 2025-26 till Financial Year 2029-30, at a remuneration of Rs. 1,20,000/- (Rupees One Lakh Twenty Thousand Only) per annum.”

RESOLVED FURTHER THAT Mr. T. Gopichand, Chairman & Managing Director of the Company and Mr. Ch. Mallikarjuna, Company Secretary, be and are hereby severally authorised to do all such acts, deeds, and things as may be necessary to give effect to the above resolution.”

Item No.6

Approval of an incentive to Mr. T. Madhu Mitra (DIN: 07124242), Whole-Time Director of the Company

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

“RESOLVED THAT pursuant to the provisions of Section 197, Schedule V, and other applicable provisions of the Companies Act, 2013 (the “Act”), and the Articles of Association of the Company, based on the recommendations of the Nomination and Remuneration Committee, Audit Committee and the Board of Directors, the consent of the Members of the Company be and is hereby accorded to grant a one-time incentive 0.2% of the order value (Rs.2552 Crores) which amounts to Rs.5.10 Crores [Rupees Five Crores Ten Lakhs Only] to Mr. Tummalam Madhu Mitra, Whole-Time Director of the Company, for getting the bid and award of the BharatNet Project in recognition of his outstanding contribution towards the achieving the project.

RESOLVED FURTHER THAT the incentive shall be paid in accordance with the terms and conditions as decided by the Nomination and Remuneration Committee of the Company and the Board of Directors, subject to the provisions of the Act, and the same shall be considered as part of the total remuneration paid to the director.

RESOLVED FURTHER THAT the Managing Director and/or Company Secretary be and are hereby authorized to take all necessary steps, sign and file necessary documents with the Registrar of Companies and take all further actions to give effect to this resolution.”

Item No.7

Approval to increase the remuneration of Mr. T. Madhu Mitra (DIN: 07124242), Whole-Time Director of the Company

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

“RESOLVED THAT pursuant to the provisions of Sections 196, 197 and 198 read with Schedule V and other applicable provisions of the Companies Act, 2013 (“the Act”), if any, read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and applicable provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and the enabling provisions of Articles of Association of the Company, based on the recommendations of the Nomination and Remuneration Committee and Board, the consent of the Members of the Company be and is hereby accorded to increase the remuneration of Mr. T. Madhu Mitra (DIN: 07124242), Whole-Time Director of the Company from Rs.1,65,000/- per month to Rs.2,00,000/- (Rupees Two Lakhs Only) per month plus conveyance allowance of Rs.15,000/- (Rupees Fifteen thousand Only) per month with an annual increment of 10% with effect from 1st February, 2025 till the remaining duration of his tenure upto 16th August, 2028.

RESOLVED FURTHER THAT the aggregate amount of remuneration payable to Mr. T. Madhu Mitra (DIN: 07124242) in a financial year may exceed the maximum admissible limits as prescribed in Section 197 of the Act, and shall be entitled to receive remuneration, perquisites and other benefits etc., upto the limit as approved by the members herein above, as minimum remuneration upto 3 years, in the event of inadequacy or absence of profits arising in any financial year.

RESOLVED FURTHER THAT in the event of any statutory amendment or modification or relaxation in the provisions of Schedule V of the Act, relating to the payment of remuneration to the managerial personnel, the Board of Directors of the Company, (including its committees thereof), subject to the recommendations of the Nomination and Remuneration Committee be and is hereby authorized to vary the remuneration, commission, perquisites and other benefits etc. within such prescribed limits.

RESOLVED FURTHER THAT same and except as aforesaid, the Special Resolution approved and passed by the Members in their meeting held on 17th August, 2023 with respect to the appointment of Mr. T. Madhu Mitra, as Whole time Director shall continue to remain in full force and effect.

RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorized to revise, enhance, alter and vary from time to time the terms and conditions of appointment and remuneration by seeking further consent and approval of the shareholders of the Company and to do all necessary acts, deeds and things as it may, in its absolute discretion, and to sign all such documents and writings as may be necessary to give effect to this resolution and for matters connected therewith or incidental thereto.”

Item No.8

Approval of the Managerial Remuneration to be paid to Mr. Tummala Gopichand (DIN: 00107886), Chairman and Managing Director of the Company

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

“RESOLVED THAT pursuant to the provisions of Sections 152, 188, 196, 197, 203 read with Schedule V of the Companies Act, 2013 and applicable Rules made thereunder and Regulations 17 and 23 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other applicable provisions thereof and relevant provisions of Articles of Association the Company and as per recommendation of the Board of Directors, the consent of the Members of the Company be and is hereby accorded to pay the Managerial Remuneration to Mr. Tummala Gopichand (DIN: 00107886), Chairman and Managing Director of the Company as under:

A) Salary and Perquisites:

Salary: Rs.9,00,000/- (Rupees Nine Lakhs Only) per month.

Perquisites:

B) The Chairman and Managing Director shall also be eligible to the following perquisites which are not included in the computation of ceiling remuneration specified in the said Part II Section IV of Schedule V of the Companies Act, 2013:

1. Contribution to Provident Fund, Superannuation Fund or Annuity Fund to the extent these either singly or put together are not taxable under the Income Tax Act, 1961.
2. Gratuity payable at a rate not exceeding half a month's salary for each completed year of service.

C) Other terms:

1. He shall be entitled to re-imbursement of actual out of pocket and/or entertainment expenses incurred in connection with the business of the Company.
2. As long as he functions as Chairman and Managing Director, he shall not be paid any sitting fees to attend any meeting of the Board and/or Committee thereof.

RESOLVED FURTHER THAT the Board has decided to continue with the same remuneration structure for Mr. Tummala Gopichand, Chairman and Managing Director as approved by the members at their Annual General Meeting held on 17th August 2023.

RESOLVED FURTHER THAT the above Managerial Remuneration, being exceeding the limit prescribed under Section 195, 197 and other applicable Sections read with Schedule V of the Companies Act, 2013, and applicable provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and such other provisions as may be applicable to the Company, be and is hereby approved by the Members by way of Special Resolution.

RESOLVED FURTHER THAT in the event of loss or inadequacy of profits in any financial year during the tenure of Mr. Tummala Gopichand, Chairman and Managing Director of the Company, shall be paid remuneration by way of salary and perquisites as set out above, as minimum remuneration upto 3 years, subject to restrictions, if any, set out in Section 197 and Schedule V to the Companies Act, 2013, from time to time.

RESOLVED FURTHER THAT the Managerial Remuneration of Mr. Tummala Gopichand shall be reviewed by the Nomination and Remuneration Committee, Audit Committee and Board of Directors and any modifications shall be recommended and approved by the Board of Directors and shall be final subject to the approval of members of the Company in the General Meeting of the Company.

RESOLVED FURTHER THAT any director(s) of the Company be and is hereby authorized to file necessary Forms and Documents with the Regulatory Authorities and to do all such acts and deeds as may be deemed necessary to give effect to the above resolution.”

Item No.9

Re-appointment and to fix the remuneration of Mr. Tummala Gopichand as Chairman and Managing Director of the Company

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

“RESOLVED THAT pursuant to the provisions of Sections 196, 197, 198, 203, Schedule V and other applicable provisions, if any, of the Companies Act, 2013, (“the Act”) read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”) (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), and pursuant to the provisions of the Articles of Association of the Company, Nomination & Remuneration Policy, the consent of the Members of the Company be and is hereby accorded to re-appoint Mr. Tummala Gopichand (DIN: 00107886) as the Chairman and Managing Director of the Company for a further period of 5 (five) years with effect from September 01, 2026 till August 31, 2031, as recommended by the Nomination and Remuneration Committee and approved by the Audit Committee and Board of Directors at their respective meetings held on August 12, 2025, notwithstanding the fact that the annual remuneration payable to him in any financial year during his tenure may exceed the limits specified under Schedule V to the Companies Act, 2013 or any statutory modifications or re-enactment thereof, on the following terms and conditions:

- i) Salary: Rs.9,00,000/- (Rupees Nine Lakhs Only) per month.
- ii) Commission: @ 1% on the net profits of the Company.
- iii) Perquisites:
 1. Contribution to Provident Fund, Superannuation Fund or Annuity Fund to the extent these either singly or put together are not taxable under the Income Tax Act, 1961.
 2. Gratuity payable at a rate not exceeding half a month’s salary for each completed year of service.
 3. Re-imbursement of actual travelling and entertainment expenses incurred on behalf of the company.
 4. Free use of Company’s car with driver for official purposes only.
 5. Free communication facilities like Telephones/Mobiles/Fax at residence.

RESOLVED FURTHER THAT the above Managerial Remuneration, being exceeding the limit prescribed under Section 195, 197 and other applicable Sections read with Schedule V of the Companies Act, 2013, and applicable provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and such other provisions as may be applicable to the Company, be and is hereby approved by the Members by way of Special Resolution.

RESOLVED FURTHER THAT in the event of loss or inadequacy of profits in any financial year during the tenure of Mr. Tummala Gopichand, Chairman and Managing Director of the Company, shall be paid remuneration by way of salary and perquisites as set out above, as minimum remuneration upto 3 years, subject to restrictions, if any, set out in Section 197 and Schedule V to the Companies Act, 2013, from time to time.

RESOLVED FURTHER THAT the Board of Directors (including Committees thereof) be and are hereby authorized to alter and vary the terms of re-appointment and/or remuneration payable to Mr. Tummala Gopichand, Chairman and Managing Director, as it may deem fit, subject to the same not exceeding the limit as approved by the Members of the Company.

RESOLVED FURTHER THAT the Board of Directors be and are hereby severally authorized to take all such steps as may be necessary and/or give such directions as may be necessary, proper or expedient to give effect to the above resolutions without being required to seek any further consent or approval of the members and the members shall be deemed to have given their approval thereto expressly by the authority of this resolution.”

Item No.10

Approval of Remuneration to Mr. T. Gopichand, Chairman & Managing Director and Mr. T. Madhu Mitra, Whole-Time Director of the Company, in excess of limits prescribed under regulation 17(6)(e) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended

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

“RESOLVED THAT pursuant to the provisions of Regulation 17(6)(e) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any amendment(s), modification(s) or re-enactment(s) thereof for the time being in force) and, upon recommendation of the Nomination and Remuneration Committee and the Board of Directors, the consent of the members of the Company be and is hereby accorded for remuneration paid/ to continue the payment of remuneration as per terms and conditions approved by the Shareholders and/ or Board of Directors, to Mr. T. Gopichand (DIN: 00107886), Executive Chairman & Managing Director of the Company and Mr. T. Madhu Mitra (DIN: 07124242) Whole-Time Director, of the Company notwithstanding the fact that the aggregate annual remuneration paid/ payable may exceed 5% of the net profits of the Company calculated as per the provisions of Section 198 of the Companies Act 2013, during their tenure of appointments.

RESOLVED FURTHER THAT the Board of Directors of the Company, (including its committees thereof), be and is hereby authorized to do all acts, deeds, matters and things as may be necessary, proper or desirable or expedient to give effect to the above Resolution.”

Item No.11

Approval for overall Borrowing Limits under Section 180(1)(c) of the Companies Act, 2013

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

“RESOLVED THAT pursuant to the provisions of Section 180(1)(c) and other applicable provisions, if any, of the Companies Act, 2013 (“the Act”), including any statutory modification(s) or re-enactment(s) thereof for the time being in force, and the Articles of Association of the Company, consent of the Members be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as the “Board”, which term shall include any Committee thereof or any person authorized by the Board) to borrow from time to time, any sum or sums of money, either in Indian or foreign currency, by way of loans, advances, credit facilities, issue of debt instruments or any other financial assistance from banks, financial institutions, corporate bodies, or other persons, on such terms and conditions as the Board may deem fit, notwithstanding that the monies so borrowed together with the monies already borrowed by the Company (apart from temporary loans obtained from the Company’s bankers in the ordinary course of business) may exceed the aggregate of the paid-up share capital, free reserves, and securities premium of the Company, provided that the total amount so borrowed shall not exceed the aggregate of the paid-up share capital, free reserves, and securities premium of the Company or ₹1,500 Crores (Rupees One Thousand Five Hundred Crores only), whichever is higher.

RESOLVED FURTHER THAT the Board and any Committee of the Board be and are hereby authorized to do all such acts, deeds, matters and things, as may be necessary or expedient to give effect to this resolution, including filing of necessary forms with the Registrar of Companies and dealing with any statutory authority, and to settle any questions or difficulties that may arise in connection therewith without further reference to the Members.”

Item No.12

Approval under Section 180(1)(a) of the Companies Act, 2013 inter alia for creation of mortgage or charge on the assets, properties or undertaking(s) of the company

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

“RESOLVED THAT pursuant to the provisions of Section 180(1)(a) and other applicable provisions, if any, of the Companies Act, 2013 (“the Act”) and the Rules thereunder (including any statutory modification(s), amendment(s), clarification(s), substitution(s), or re-enactment(s) thereof for the time being in force), and the Articles of Association of the Company, the consent of the Members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as the “Board”, which term shall include any Committee thereof or any person authorized by the Board), to sell, lease, mortgage, hypothecate, create floating charge, or create charge in any other manner whatsoever on all or any part of the present and future movable or immovable assets or properties or undertaking(s) of the Company, on such terms and conditions and at such time or times as the Board may deem fit, to or in favor of banks, financial institutions, bodies corporate, companies, trustees, or any other person(s) to secure borrowings of the Company together with interest, costs, charges, and expenses, provided that the aggregate amount of indebtedness secured by such mortgage(s)/charge(s) shall not exceed the aggregate of the paid-up capital, free reserves, and securities premium of the Company or ₹1,500 Crores (Rupees One Thousand Five Hundred Crores only), whichever is higher.

RESOLVED FURTHER THAT the Board and any Committee thereof be and is hereby authorized to do all such acts, deeds, and things as may be necessary or expedient to give effect to this resolution, including filing of requisite forms with the Registrar of Companies or other authorities and to settle any questions or difficulties that may arise in connection therewith without further approval of the Members.

RESOLVED FURTHER THAT the Board be and is hereby authorized to delegate all or any of the powers herein conferred to any Committee of the Board, Director(s), Officer(s) or authorized representative(s) of the Company to give effect to this resolution.”

Item No.13

Approval to advance any loan/give guarantee/provide security Under section 185 of the companies act, 2013

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

“RESOLVED THAT pursuant to the provisions of Section 185 and all other applicable provisions, if any, of the Companies Act, 2013 (the “Act”) and relevant Rules made thereunder (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), and subject to such approvals, consents, permissions and sanctions as may be necessary, the consent of the Members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as the “Board”, which term shall include any Committee of Directors or any Officer(s) or person(s) authorized by the Board), to:

- advance any loan including loan represented by way of book debt;
- give any guarantee; and/or
- provide any security in connection with any loan taken or to be taken

by any person or entity in whom any of the Director(s) of the Company is interested or deemed to be interested, including any Subsidiary(ies), Associate(s), Joint Venture(s), Group Company(ies), or any other person as defined in the Explanation to Section 185(2)(b) of the Act (collectively referred to as the “Entities”), from time to time, in their absolute discretion, for the purpose of their principal business activities, for an amount not exceeding ₹500 Crores (Rupees Five Hundred Crores only) at any point of time.

RESOLVED FURTHER THAT the Board be and is hereby authorized to determine the terms and conditions of the said loan(s), guarantee(s), and security(ies), including interest rate, tenure, repayment, and security cover, and to negotiate, finalise, sign, execute, modify and deliver all documents, deeds, undertakings, agreements, and writings as may be necessary in connection therewith.

RESOLVED FURTHER THAT the Board be and is hereby further authorized to do all such acts, deeds, matters, and things as may be necessary, expedient, or desirable for the purpose of giving effect to this resolution, including making necessary filings with the Ministry of Corporate Affairs or any other statutory authority as may be required in this regard.”

By Order of the Board of Directors

Tummala Gopichand
 Chairman & Managing Director
 DIN: 00107886

Place: Hyderabad
 Date: 12th August, 2025

NOTES:

Proxy related information:

1. A member entitled to attend and vote is entitled to appoint a proxy to attend and vote at the meeting, instead of himself/herself and the proxy need not be a member. A person can Act as proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the company carrying voting rights. Provided that a member holding more than ten percent of the total share capital of the company carrying voting rights may appoint a single person as proxy and such person shall not act as proxy for any other person or member. The instrument appointing Proxy must be deposited at the Registered Office of the Company not less than 48 hours before the time of commencement of the meeting. In this Notice, the term member(s) or shareholder(s) are used interchangeably.
2. During the period beginning 24 hours before the time fixed for the commencement of the meeting and ending with the conclusion of the meeting, members would be entitled to inspect the proxies lodged, during the business hours of the company provided not less than 3 days' written notice is given to the Company.

Dividend related information:

3. The Board of Directors, at its meeting held on August 12, 2025, has recommended dividend of Rs.1/- per equity share of the face value of Rs.10/- for FY 2024-25 for the approval of members at the ensuing thirty-first AGM.
4. Pursuant to the provisions of regulation 42 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the 'SEBI Listing Regulations') the Company has fixed Friday, September 19, 2025 as the 'Record Date' for the purpose of determining the members eligible to receive dividend for FY 2024-25.

5. Subject to the provisions of section 126 of the Companies Act, 2013 (the 'Act'), dividend on equity shares, if declared, at the AGM, will be credited/dispatched on or about Saturday, October 25, 2025, to all those members holding shares as on closing hours on record date.
6. To ensure timely credit of dividend through electronic mode, members are requested to keep their latest bank account details updated with their respective Depository Participant ('DPs') and Company's Registrar and Share Transfer Agent viz., KFin Technologies Limited ('KFin') in case they hold shares in physical mode.
7. SEBI, vide its circular dated 16 March 2023 read with circular dated 17 November 2023 and 10 June 2024, mandated that the security holders (holding securities in physical form), whose folio(s) do not have PAN (Aadhar seeded) or Contact Details or Mobile Number or Bank Account Details or Specimen Signature updated, shall be eligible for payment of dividend in respect of such folios, only through electronic mode with effect from 1 April 2024, upon furnishing all the aforesaid details in entirety. Further, the Company will not dispatch the physical instrument such as banker's cheque or demand draft for the payment of dividend to the members holding shares in physical form as on record date.
8. As per the SEBI Listing Regulations and pursuant to SEBI circular dated 20 April 2018, a listed entity shall use any electronic mode of payment approved by the Reserve Bank of India for making payment to the members. Accordingly, dividend, if declared will be paid through electronic mode, where the bank account details of the members are available. Where dividend is paid through electronic mode, intimation regarding such remittance will be sent separately to the members. In case of members holding shares in demat mode and where the dividend could not be paid through electronic mode, payment will be made through physical instrument such as banker's cheque or demand draft incorporating bank account details of such members.
9. For any queries regarding tax on dividend, members are requested to refer the note under Sr. No. 27.

SEBI mandate on KYC Compliance:

10. SEBI has mandated that any service request from members holding securities in physical mode shall be entertained only upon registration of the PAN and KYC details. Members are requested to submit Form ISR-1 duly filled and signed along with self-attested copy of the PAN card and such other documents as prescribed in the form, to register or update:
 - a. PAN and KYC details.
 - b. E-mail address to receive communication through electronic means.

Members are also requested to update their nomination by submitting Form SH-13 or Form ISR-3 for opting out of nomination.

The said forms are available on the website of the RTA at KFin at <https://ris.kfintech.com/clientservices/isc/isrforms.aspx>

Members have an option to submit duly filled Form ISR-1 in person at any of the branches of KFin, details of which are available at <https://www.kfintech.com/contact-us/> or submit e-signed form online along with requisite documents by accessing the link <https://kprism.kfintech.com/> or the original copy of physical forms can be sent through post or courier at following address:

KFin Technologies Limited

Unit: Tera Software Limited

Selenium Building, Tower-B, Plot No 31 & 32, Financial District,
Nanakramguda, Serilingampally, Hyderabad, Telangana-500 032.
Toll free no.: 1800 309 4001

11. Members holding shares in dematerialised mode, who have not registered/updated their PAN, KYC details and nomination are requested to register/update the same with the respective DPs.

Inspection of documents:

12. Documents referred in this notice and the statement annexed to this notice to be considered at this Annual General Meeting will be kept open for inspection by the members at the registered office of the Company from Monday to Saturday during 10:00 a.m. to 12:30 p.m., except holidays, up to the date of the AGM and also at the AGM. The following registers and certificate shall remain open for inspection as per the period specified above and be accessible to any member during the continuance of the meeting:
 - a. Register of contracts or arrangements in which directors are interested under section 189 of the Act.
 - b. Register of directors and key managerial personnel and their shareholding under section 170 of the Act.

IEPF related information:

13. In terms of section 124(5) of the Act, dividend amounts unclaimed for a period of 7 years shall become due for transfer to the Investor Education and Protection Fund ('IEPF') established by the Central Government. Further, in terms of Section

124(6) of the Act, in case of such shareholders whose dividends are unpaid for a continuous period of 7 years, the corresponding shares shall also be transferred to the IEPF's demat account.

The Members/Claimants whose shares, unclaimed dividend have been transferred to IEPF may claim the shares or apply for refund by making an application to IEPF Authority in Form IEPF 5 alongwith requisite fees by following the refund procedure as detailed on the website of IEPF Authority at <https://www.iepf.gov.in>

Instructions for members/proxies:

14. Members/proxies are requested to bring the attendance slip duly filled and signed along with the identity proof at the meeting for the purpose of identification.
15. Members attending in person at the AGM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.
16. Route map for directions to the venue of the meeting is provided in this Notice.
17. In case of joint holders attending the meeting, only such joint holder whose name appears first in the order of names will be entitled to vote at the meeting.
18. In case a person becomes a member of the Company after dispatch of AGM Notice, and is a member as on the cut-off date for e-voting, i.e., Friday, September 19, 2025 (end of day), such member may obtain the user ID and password from KFin by sending request on evoting@kfintech.com from registered e-mail ID. In case the e-mail ID is not registered, such members are requested to register/update the same with the respective depository participants.

General Information:

19. A statement setting out material facts pursuant to the provisions of Section 102 of the Act, in respect of special businesses stated at item nos. 4 to 13 is annexed hereto.
20. Institutional/Corporate shareholders (i.e., other than individuals/HUF, NRI, etc.) are required to send a scanned copy (pdf/jpg format) of its board or governing body's resolution/authorisation, etc., authorising their representative to attend the AGM on its behalf and to vote through remote e-voting. The said resolution/authorisation shall be sent to the scrutiniser by e-mail through its registered e-mail address to rprassociateshyd@gmail.com.
21. Further, as required under regulation 36(3) of the SEBI Listing Regulations and the provisions of the Secretarial Standard on General Meetings, details of the director, who is being re-appointed is annexed hereto. Details as per regulation 36(5) of the SEBI Listing Regulations in respect of appointment of Secretarial Auditor is also mentioned in the explanatory statement.
22. Sections 101 and 136 of the Act read with the rules made thereunder, permit the listed companies to send the Notice of AGM and the Annual Report, including financial statements, Directors' Report, etc., by electronic mode. The Company is accordingly forwarding the soft copies of the above referred documents to all those members who have registered their e-mail IDs with their respective depository participants or with KFin. The Annual Report, Notice of AGM, Proxy Form and Attendance Slip are also available on the Company's website <https://terasoftware.com/annualreports>, website of the Stock Exchanges i.e. BSE Ltd. at www.bseindia.com and National Stock Exchange of India Ltd. at www.nseindia.com and on the website of KFin at <https://evoting.kfintech.com/public/Downloads.aspx>.
23. Members may reach out at the contact details mentioned below for addressing e-voting related grievances:
 Mr. Mohd. Mohsin Uddin,
 Senior Manager, KFin Technologies Limited
Unit: Tera Software Limited
 Selenium Building, Tower-B,
 Plot No 31 & 32, Financial District, Nanakramguda,
 Serilingampally, Hyderabad, Rangareddi
 Telangana-500 032.
 Toll free no.: 1800 309 4001,
 E-mail ID: einward.ris@kfintech.com
24. The Board of Directors at its meeting held on August 12, 2025 have appointed Y. Ravi Prasada Reddy, Practicing Company Secretary (FCS No. 5783 CP No. 5360) as the Scrutiniser to the e-voting process and voting at the AGM in a fair and transparent manner.
25. The Scrutiniser shall, immediately after the conclusion of voting at the AGM, first count the votes cast at the meeting, thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses, not in the employment of the Company and make a consolidated Scrutinisers' report of the total votes cast in favour or against, if any, within prescribed timelines and provide the same to the Chairman or any person so authorised by him, who shall countersign the same and declare the result thereof.

26. The results declared along with the scrutiniser's report shall be placed on the Company's website at <https://www.terasoftware.com> and on the website of KFin at <https://evoting.kfintech.com/public/Downloads.aspx> and shall also be communicated to the stock exchanges.

E-voting related instructions:

A. Voting through electronic means:

- i. In terms of the provisions of Section 108 of the Act, read with rule 20 of the Companies (Management and Administration) Rules, 2014, as amended (hereinafter called 'the Rules' for the purpose of this section of the Notice) and regulation 44 of the SEBI Listing Regulations, the members are provided with the remote e-voting facility to exercise votes on the items of business given in the Notice, through the e-voting services provided by KFin or to vote at the AGM.
- ii. The members, whose names appear in the Register of members/list of Beneficial Owners as on Friday, September 19, 2025 (end of day), being the cut-off date fixed for determining voting rights of members who are entitled to participate in the e-voting process. A person who is not a member as on the cut-off date should treat this Notice for information purpose only.
- iii. Members can cast their vote through remote e-voting from Tuesday, September 23, 2025 (9:00 a.m.) till Thursday, September 25, 2025 (5:00 p.m.). Voting beyond the said date shall not be allowed and the remote e-voting facility shall forthwith be blocked.
- iv. Once the vote on a resolution is cast by a member, the member shall not be allowed to change it subsequently or cast the vote again.
- v. Alternatively, members holding securities in physical mode and are KYC compliant, may reach out on toll free number 1800 309 4001 for obtaining User ID and password or may write to KFin at evoting@kfintech.com from their registered e-mail ID.
- vi. The details of the process and manner for remote e-voting are explained hereinbelow:

I) Login method for remote e-voting for individual shareholders holding securities in demat mode:

Pursuant to SEBI Master circular no. SEBI/HO/CFD/PoD2/CIR/P/0155, dated 11 November 2024 on "e-voting facility provided by Listed Companies", e-voting process has been enabled to all the individual demat account holders, by way of single login credential, through their demat accounts/websites of Depositories/registered Depository Participants ('DPs') in order to increase the efficiency of the voting process. Individual demat account holders would be able to cast their vote without having to register again with the e-voting service provider ('ESP') thereby facilitating not only seamless authentication but also ease and convenience of participating in e-voting process.

Login method for individual shareholders holding securities in demat mode is given below:

Individual shareholders holding securities in demat mode with NSDL - Login method:

Type of shareholders:

Individual shareholders holding securities in demat mode with NSDL

Login method:

A. User already registered for NSDL IDeAS facility:

1. Open web browser and type the following URL: <https://eservices.nsdl.com/> either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the 'Beneficial Owner' icon under 'Login' which is available under 'IDeAS' section.
2. A new screen will open. Enter your User ID and Password. After successful authentication, you will be able to see e-voting services. Click on 'Access to e-voting' under e-voting services and you will be able to see e-voting page.
3. Click on options available against Company name or e-voting service provider - KFinTech and you will be re-directed to e-voting service provider website for casting your vote during the e-voting period.

B. User not registered for IDeAS e-Services

Option to register is available at <https://eservices.nsdl.com> Select 'Register Online for IDeAS' tab or click at <https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp> and proceed with completing the required fields. After successful registration, please follow the steps given above to cast your vote.

C. By visiting the e-Voting website of NSDL:

1. Visit the e-voting website of NSDL. Open web browser and type the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile. Once the home page of e-voting system is launched, click on the 'Login' icon, available under the 'Shareholder/ Member' section.

2. A new screen will open. Enter your User ID (i.e., your 16-digit demat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-voting page.
3. Click on options available against Company name or e-voting service provider - KFintech and you will be re-directed to e-voting service provider website for casting your vote during the e-voting period.

D. NSDL Speede:

Shareholders/Members can also download NSDL Mobile App 'NSDL Speede' facility from "App Store" and "Google Play Store" for seamless voting experience.

Type of shareholders:

Individual shareholders holding securities in demat mode with CDSL

Login method:

A. Existing user who has opted for Easi/Easiest:

1. Open web browser and type: <https://www.cdslindia.com/> and click on login icon and select New System Myeasi.
2. Shareholders can login through their existing user ID and password. Option will be made available to reach e-voting page without any further authentication.
3. After successful login on Easi/Easiest, the user will also be able to see the e-voting Menu. The menu will have links of ESPs. Click on KFintech to cast your vote.

B. User not opted for Easi/Easiest:

Option to register for Easi/Easiest is available at <https://www.cdslindia.com/>, proceed with completing the required fields. After successful registration, please follow the steps given above to cast your vote.

C. By visiting the e-Voting website of CDSL:

1. The user can directly access e-voting page by providing Demat Account Number and PAN from a link in www.cdslindia.com. The system will authenticate the user by sending OTP on registered Mobile and e-mail ID as recorded in the demat Account.
2. After successful authentication, user will be able to see the e-voting option where the e-voting is in progress and will also be able to directly access the system of e-Voting Service Provider, i.e., KFintech.

Type of shareholders

Individual Shareholders (holding securities in demat mode) logging through their depository participants

Login method:

1. Shareholders can also login using the login credentials of their demat account through their Depository Participant registered with NSDL/CDSL for e-voting facility. Once logged-in, you will be able to see e-voting option.
2. Once you click on e-voting option, you will be redirected to NSDL/ CDSL website after successful authentication, wherein you can see e-voting feature.
3. Click on option available against Company name or e-voting service provider- KFintech and you will be redirected to e-voting service provider website for casting your vote during the remote e-voting period.

Important Note: Members who are unable to retrieve User ID/Password are advised to use Forget User ID or Forget Password option available at respective websites.

Helpdesk for Individual Shareholders holding securities in demat mode who need assistance for any technical issues related to login through Depository i.e., NSDL and CDSL:

NSDL: Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: (022) 4886 7000 and 18001020 990

CDSL: Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact on 18002109 911

II) Login method for remote e-voting for shareholders other than individual shareholders holding securities in demat mode and shareholders holding securities in physical mode:

- i. Initial password will be provided in the body of the e-mail.
- ii. Launch internet browser and type the URL: <https://evoting.kfintech.com> in the address bar.
- iii. Enter the login credentials i.e., User ID and Password mentioned in your e-mail. Your Folio No./DP ID Client ID will be your User ID. However, if you are already registered with KFin for e-voting, you can use your existing User ID and password for casting your votes.
- iv. After entering the correct details, click on LOGIN.
- v. You will reach the 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.). It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- vi. You need to login again with the new credentials.
- vii. Upon successful login, the system will prompt you to select the EVENT i.e., Tera Software Limited.
- viii. On the voting page, the number of shares (which represents the number of votes) held by you as on the cut-off date i.e., Friday, September 19, 2025 will appear.

If you desire to cast all the votes assenting/dissenting to the resolution, enter all shares and click 'FOR'/'AGAINST' as the case may be or partially in 'FOR' and partially in 'AGAINST', but the total number in 'FOR' and/or 'AGAINST' taken together should not exceed your total shareholding as on the cut-off date. You may also choose the option 'ABSTAIN', in which case, the shares held will not be counted under either head.

- ix. Members holding multiple folios/demat accounts shall choose the voting process separately for each folio/demat account.
- x. Cast your votes by selecting an appropriate option and click on 'SUBMIT'. A confirmation box will be displayed. Click 'OK' to confirm, else 'CANCEL' to modify. Once you confirm, you will not be allowed to modify your vote subsequently. During the voting period, you can login multiple times till you have confirmed that you have voted on the resolution.
- xi. Corporate/institutional Members (i.e. other than individuals, HUF, NRI, etc.) are required to send scanned image (PDF/JPG format) of certified true copy of relevant board resolution/authority letter etc. together with attested specimen signature of the duly authorised signatory(ies) who is/are authorised to vote, to the Scrutiniser through email at rprassociateshyd@gmail.com and may also upload the same in the e-voting module in their login. The scanned image of the above documents should be in the naming format 'TSL_EVENT No.'
- xii. In case of any queries/grievances, you may refer the Frequently Asked Questions (FAQs) for Members and e-voting User Manual available at the 'download' section of <https://evoting.kfintech.com> or call KFin on toll free No. 1800 309 4001.

B. Voting facility at AGM:

- i. In addition to the remote e-voting facility as described above, the Company has made voting facility available at the venue of the AGM through Ballot voting system and members attending the meeting, who have not already cast their votes by remote e-voting, shall be able to exercise their right at the meeting.
- ii. Members who have cast their votes through remote e-voting prior to the meeting may attend the meeting but shall not be entitled to cast their vote again.

27. Taxation on Dividend

Shareholders may note that as per Income Tax Act, 1961, (the 'IT Act'), dividend paid or distributed by a Company shall be taxable in the hands of shareholders. Accordingly, the Company would be required to deduct applicable Tax at Source ('TDS') in respect of payment of approved dividend to its shareholders (resident as well as non-resident).

Category of Shareholders	Applicable TDS rate
Individual Shareholder – Aggregate dividend amount (including dividend already paid in a financial year, if any) is up to K 10,000 during the financial Year	0%
Submission of valid declaration in Form 15G (applicable to individuals) or Form 15H (applicable to individuals age of 60 years or more)	0%

As per section 206AA of the IT Act, In case <ul style="list-style-type: none"> PAN is not submitted, or PAN is invalid; or PAN is not linked with Aadhaar. 	20%
Submission of Lower or Nil TDS deduction certificate under section 197 of the IT Act	Rate provided in certificate
Mutual funds, Insurance companies, National Pension Scheme Trust etc.	0% (subject to submission of valid documents)
Other shareholders	10%

The Company would rely on the online functionality of the Income Tax Department for determining status of PAN of shareholder and shall accordingly determine the applicable TDS rate.

Further, if a shareholder has obtained a lower or Nil withholding tax certificate from the tax authorities and provides a copy of the same to the Company (TAN – HYDT00832G), tax shall be deducted on the dividend payable to such shareholder at the rate specified in the said certificate.

Non-resident Shareholders:

Tax is required to be deducted at source in case of non-resident shareholders in accordance with the provisions of section 195 of the IT Act at the rates in force. As per the relevant provisions of the IT Act, the tax shall be deducted at the rate of 20% or applicable rate plus applicable surcharge and health & education cess on the amount of dividend payable to the non-resident shareholders.

For Foreign Institutional Investors/Foreign Portfolio Investors shareholders, TDS will be deducted at applicable rate under section 196D of the IT Act.

However, as per section 90 of the IT Act, non-resident shareholders have the option to be governed by the provisions of the Double Tax Avoidance Agreement ('DTAA') read with applicable Multilateral Instrument provisions, if they are more beneficial to them.

A list of documents/declarations required to be provided by the resident shareholders and list of documents/declarations required to claim the benefit of DTAA by the non-resident shareholders should be uploaded with KFin at <https://ris.kfintech.com/form15>.

The documents submitted by you will be verified by us and we will consider the same while deducting the appropriate taxes, if any, provided that these documents are in accordance with the provisions of the IT Act.

In addition to the above, please note the following:

- In case you hold shares under multiple accounts under different status/category but under a single PAN, the highest rate of tax as applicable to the status in which shares held under the said PAN will be considered on the entire holding in different accounts.
- In case of joint shareholding, the withholding tax rates shall be considered basis the status of the primary beneficial shareholder.

It may be further noted that in case tax on dividend is deducted at a higher rate in the absence of receipt of any of the required details/documents from the shareholders, the shareholders may consider filing their return of income and claiming an appropriate refund, as may be eligible. No claim shall lie against the Company for such taxes deducted.

The Company shall arrange to e-mail the soft copy of the TDS certificate, if applicable, to shareholders at the e-mail ID registered with DPs and KFin within the prescribed time as per IT Act. The amount of TDS can also be viewed in Form 26AS on the website of the Income Tax department of India at <https://www.incometax.gov.in/iec/foportal/>.

In the event of any income-tax demand (including interest, penalty, etc.) arising from any misrepresentation, inaccuracy or omission of information provided by the Shareholders, such Shareholders will be responsible to indemnify the Company and also provide the Company with all information/documents and co-operation in any assessment/apellate proceedings before the Tax/Government authorities.

- 28.** The Share Transfer Books and Register of Members of the Company will remain closed from Saturday, September 20, 2025 to Friday, September 26, 2025 (both days inclusive).

ANNEXURE TO THE NOTICE – EXPLANATORY STATEMENT

STATEMENT PURSUANT TO SECTION 102 OF THE ACT ALONG WITH INFORMATION PURSUANT TO REGULATION 36 OF THE SEBI LISTING REGULATIONS AND SECRETARIAL STANDARD ON THE GENERAL MEETINGS ('SS-2')

Item No.4

Approval of material Related Party Transactions with TS Innovations Private Limited

The Board of Directors on recommendation of the Audit Committee in their meetings held on May 16, 2025 has approved entering into transactions relating to purchase of goods, materials/services and such other allied activities services in connection thereto to and related activities, other logistics services, such other trading activities as may be necessary and incidental thereto, Infrastructure and Resources Sharing including human resources, offices and Reimbursement of expenses paid/ received and Granting of loans and corporate guarantees, with TS Innovations Private Limited ("TSIPL"), Subsidiary Company, a Related Party within the meaning of Section 2(76) of the Companies Act, 2013 ("the Act") and Regulation 2(1)(zb) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") subject to the condition that the total value of all transactions with TSIPL shall not exceed Rs.100 Crore (Rupees One Hundred Crore only) on an annual basis for any given financial year and such transactions shall be at arms' length basis.

Further, informed that the aforesaid proposal is in the best interest of the Company as it will contribute to continuous growth in Turnover and profit of the Company. In accordance with Regulation 23(4) of the Listing Regulations, the said related party transaction will require prior approval of members through Ordinary Resolution, as the aggregate value of transaction(s) amounts to 10% or more of the annual consolidated turnover of the Company as per the latest audited financial statements of the Company.

Pursuant to Rule 15 of the Companies (Meeting of Board and its Powers) Rules, 2014, as amended till date and SEBI Circular no. SEBI/HO/CFD/CMD1/CIR/P/2021/662 dated 22nd November, 2021 and SEBI/HO/CFD/PoD2/ CIR/P/2023/120 dated 11th July, 2023, particulars of the proposed transactions are as follows:

Sr.No.	Description / Particulars	Details / Remarks
1.	Name of the related party and its relationship with the listed entity or its subsidiary, including nature of its concern or interest (financial or otherwise)	<p>TS Innovations Private Limited ("TSIPL/TS Innovations")</p> <p>Section 2(76) of the Companies Act, 2013:</p> <ul style="list-style-type: none"> - A public company in which a director or manager is a director; - Any company which is a holding, subsidiary or an associate company of such company or a subsidiary of a holding company to which it is also a subsidiary). <p>a. TS Innovations is a subsidiary Company of Tera Software Limited;</p> <p>b. Mr. T. Gopichand (Chairman & Managing Director and Promoter of Tera Software Limited) is a Director of TS Innovations.</p>
2.	Name of the director or key managerial personnel who is related, if any and nature of relationship	Mr. T. Gopichand, Chairman & Managing Director and Promoter of Tera Software Limited is also a Director of TS Innovations.
3.	Nature, material terms, monetary value and particulars of contracts or arrangement	<p>Nature of Contract or Arrangement:</p> <ul style="list-style-type: none"> a) Purchase of Goods, materials/ Services, and such other allied activities, services in connection thereto to and related activities; - Laying of Optical Fiber Cable includes Trenching, ducting and Pulling of Cables with generation of As-Built Document (ABD). b) Infrastructure and Resources Sharing including human resources, offices and Reimbursement of expenses paid/ received and; c) Granting of loans and corporate guarantees Duration of contract or arrangement: <p>Recurring Nature and approval are sought for the Financial Year 2025 - 26 and the said approval are valid until the next AGM, but not exceeding a period of 15 months.</p> <p>Monetary value:</p> <p>The monetary value of the aggregate transaction(s) shall not exceed Rs.100 Crore (Rupees One Hundred Crore Only).</p>

		Particulars of contract or Arrangement and Material Terms: The proposed transaction shall relate to Purchase of Goods/ Materials, Services and such other allied activities, services in connection thereto to and related activities as may be necessary and incidental thereto, Infrastructure and Resources Sharing including human resources, offices and Reimbursement of expenses paid/ received and Granting of loans and corporate guarantees.
4.	Value of Transaction	The monetary value of the aggregate transaction(s) shall not exceed 100 Crore (Rupees One Hundred Crore Only).
5.	The percentage of the listed entity's annual consolidated turnover, for the immediately preceding Financial Year (F.Y. 2024-25)	93.25%
6.	Justification for the transaction	The Board is of the opinion that the aforesaid proposal is in the best interest of the Company as it will contribute to continuous growth in Turnover and profit of the Company.
7.	Details of transaction relating to any loans, inter-corporate deposits, advances or investments made or given by the listed entity or its subsidiary	Not Applicable
8.	A copy of the valuation or other external party report, if any such report has been relied upon	Not Applicable
9.	Any other information relevant or important for the Meeting to take a decision on the proposed transaction	All important information forms part of the statement setting out material facts.

The Members may note that in terms of the provisions of the Listing Regulations, the related parties as defined thereunder (whether such related party(ies) is a party to the aforesaid transactions or not), shall not vote to approve the said resolution.

Except, the common Directors and/or their respective relatives, None of the other Directors and/ or Key Managerial Personnel of the Company and/or their respective relatives are concerned or interested either directly or indirectly, except to the extent of their respective shareholding in the Company, if any, in the said Resolution.

The Board, recommends passing of this Ordinary Resolution as set out at Item No. 4 of this Notice, for your approval.

Item No.5

Appointment of M/s RPR & Associates as Secretarial Auditors of the Company

The Securities and Exchange Board of India ("SEBI"), through a notification dated 12th December, 2024, introduced the SEBI (Listing Obligations and Disclosure Requirements) (Third Amendment) Regulations, 2024 ("Listing Regulations"), thereby amending the existing Listing Regulations. As per the amendment, every listed company is required to appoint either an individual for not more than one term of five consecutive years or a Secretarial Audit firm for not more than two terms of five consecutive years as the Secretarial Auditors based on the recommendation of its Board of Directors and subject to the approval of its members in its Annual General Meeting.

Accordingly, the Board of Directors of the Company ("the Board") at their meeting held on May 16, 2025, considering the experience and expertise and on the recommendation of the Audit Committee, has recommended for the approval of the Members of the Company, appointment of M/s. RPR & Associates, Hyderabad, as the Secretarial Auditor of the Company, for a period of Five (5) consecutive years commencing from Financial Year 2025-26 till Financial Year 2029-30 at a remuneration of Rs.1,20,000/- per annum.

The proposed fees are in consistent with the existing fees paid to M/s. CV Reddy K & Associates (Outgoing Auditor) including certification fees.

Brief Profile of M/s RPR & Associates:

M/s. RPR & Associates, Company Secretaries is a firm of Practising Company Secretaries, Hyderabad with a strong track record of delivering strategic, research-driven, and customised corporate advisory solutions. With deep domain expertise in Corporate Laws, SEBI regulations and Compliance Management, the firm is well-equipped to carry out a comprehensive Secretarial Audit in accordance with the provisions of Section 204 of the Companies Act, 2013.

The firm is led by CS Y. Ravi Prasada Reddy, a Fellow Member of the Institute of Company Secretaries of India (ICSI), with overall 22 years of experience advising diverse businesses across sectors such as Infrastructure, Pharma, Finance, and Technology.

With a client-first approach and a commitment to integrity and innovation, RPR & Associates continues to be a trusted partner for businesses navigating complex regulatory and governance landscapes.

The Board considered the appointment as Secretarial Auditor due to its proven expertise in corporate legal advisory, particularly in SEBI regulations and compliance management. The firm's deep understanding of regulatory frameworks, combined with its leadership under CS Y. Ravi Prasada Reddy who brings 22 years of cross-sectoral experience making it well-positioned to conduct a thorough and value-driven Secretarial Audit.

M/s. RPR & Associates is best suited for the Company due to its proven ability to deliver insightful, compliance-focused Secretarial Audits backed by deep regulatory expertise and sectoral experience.

M/s. RPR & Associates, have given their consent to act as the Secretarial Auditors of the Company and have confirmed that the said appointment, if made, will be in accordance with the conditions prescribed under Sections 204 of the Companies Act, 2013 ("the Act") and the Listing Regulations.

None of the Directors and/ or Key Managerial Personnel of the Company and/or their respective relatives are concerned or interested either directly or indirectly, except to the extent of their respective shareholding in the Company, if any, in the said Resolution.

The Board, recommends passing of this Ordinary Resolution as set out at Item No. 5 of this Notice, for your approval.

Item No.6

Approval of an incentive to Mr. T. Madhu Mitra (DIN: 07124242), Whole-Time Director of the Company

The management would like to recognize and express their sincere appreciation for Mr. T. Madhu Mitra, Whole-Time Director for his unwavering dedication and remarkable efforts towards getting the BharatNet project.

- He could able to recognize the associates who qualify for bidding;
- Made ingenious efforts and succeeded in making tie-up with M/s ITI Limited- one of the front runner CPSU, for participating in BharatNet bid submission to M/s BSNL;
- His adept business ability in understanding tendered terms and conditions led to preparation of a fully qualified bid;
- Took a leadership role in accessing good business associates, products and strong service norms as part of the bid preparation of activity;
- Made untiring commercial evaluation in finalizing an aggressive and strategic pricing which made Terasoft derived ITI Limited's commercial bid L1 in 3 numbers packages with narrow difference from L2 bidder out of 11 numbers of bid submitted;
- His visionary outlook, strong command and strength in business acumen ultimately resulted in fostering projects to the company with a total consortium order value of Rs. 5,104 Crores with estimated profit of 10% from execution for 3 years and 30% for operation and maintenance for rest 7 years;
- After winning the bid, he made tremendous efforts in getting bid security in the form of "surety bond" in place of Bank Guarantee and other paraphernalia. This timely achievement saved the company from undergoing stringent commercial evaluations and critical time in complying with terms of the customer's order.
- This new (Tera) order of Rs.2,552 Crores is a facelift to the company amidst dwindling orders in hand and has substantially enhanced the Net Worth of the company and rechristened the confidence of all the stakeholders.

Therefore, for appreciation of Mr T. Madhu Mitra's unparallel efforts and achievements the management proposes a one-time incentive of 0.2% of the Total (Tera) order value of Rs. 2,552 Crores which amounts to Rs. 5.10 Crores to him.

However, taking the present financial position of the company the Board approved, as recommended by the Nomination and Remuneration Committee and Audit Committee, the above incentive amount to be paid in two installments:

An amount of 50% after receiving the advance amount from the customer

Balance amount of 50% after receiving the first payment from the customer against project execution.

The Companies Act, 2013 governs the remuneration of directors of a listed company, and any incentives (including one-time incentives) paid to directors outside their regular monthly remuneration must comply with certain provisions.

Under Section 197 and Schedule V of the Companies Act, 2013, the remuneration paid to directors, including any bonuses or one-time incentives, is subject to approval by the Board of Directors and, in some cases, the Shareholders (depending on the quantum of the incentive).

Remuneration within Limits: Total remuneration (including one-time incentives) paid to directors should not exceed the limits specified under Section 197 and Schedule V, unless approved by the shareholders.

The Board of Directors of the Company at their meeting held on February 11, 2025 on the recommendation of the Nomination and Remuneration Committee and of the Audit Committee, approved and recommends for the approval of the Members of the Company.

Except, Mr. Madhu Mitra and their relatives, none of the Directors and/ or Key Managerial Personnel of the Company and / or their respective relatives are concerned or interested either directly or indirectly, except to the extent of their respective shareholding in the Company, if any, in the said Resolution.

The Board, recommends passing of this Special Resolution as set out at Item No. 6 of this Notice, for your approval.

Item No.7

Approval to increase the remuneration of Mr. T. Madhu Mitra (DIN: 07124242), Whole-Time Director of the Company

Mr. T. Madhu Mitra has been appointed as a Whole-Time Director at the Annual General Meeting held on August 17, 2023 for a period of 5 years w.e.f. August 17, 2023 to August 16, 2028. As informed in Item No.6, the management would like to recognize and express their sincere appreciation for Mr. T. Madhu Mitra, for his unwavering dedication and remarkable efforts towards getting the BharatNet project in addition to the one-time incentive recommends to increase the Remuneration.

The Board of Directors of the Company at their meeting held on February 11, 2025 on the recommendation of the Nomination and Remuneration Committee and Audit Committee, approved and recommends for the approval of the Members of the Company to increase the Remuneration of Mr. T. Madhu Mitra from Rs.1,65,000/- to Rs.2,00,000/- per month plus conveyance allowance of Rs.15,000/- per month with an annual increment of 10% and the perquisites as approved by the Members at their Annual General Meeting held on August 17, 2023 as under:

Perquisites:

The Director shall also be eligible to the following perquisites which are not included in the computation of ceiling remuneration specified in the said Part II Section IV of Schedule V of the Companies Act, 2013:

1. Contribution to Provident Fund, Superannuation Fund or Annuity Fund to the extent these either singly or put together are not taxable under the Income Tax Act, 1961.
2. Gratuity payable at a rate not exceeding half a month's salary for each completed year of service.

Other terms:

1. He shall be entitled to re-imbursement of actual out of pocket and/or entertainment expenses incurred in connection with the business of the Company.
2. As long as he functions as Whole-time Director, he shall not be paid any sitting fees to attend any meeting of the Board and/or Committee thereof.

Except, Mr. Madhu Mitra and their relatives, none of the Directors and/ or Key Managerial Personnel of the Company and/ or their respective relatives are concerned or interested either directly or indirectly, except to the extent of their respective shareholding in the Company, if any, in the said Resolution.

The Board, recommends passing of this Special Resolution as set out at Item No. 7 of this Notice, for your approval.

Item No.8

Approval of the Managerial Remuneration to be paid to Mr. Tummala Gopichand (DIN: 00107886), Chairman and Managing Director of the Company

Mr. T. Gopichand has been re-appointed in the Annual General Meeting held on July 30, 2021 for a period of 5 years w.e.f. September 1, 2021 to August 31, 2026 with existing Remuneration of Rs.7 lakhs and subsequently increased to Rs.9 lakhs (w.e.f. June 1, 2023) at the Annual General Meeting held on August 17, 2023 as minimum remuneration, in the event of loss or inadequacy of profits in any financial year as per the provisions of the Section 197, 198 and Schedule V of the Companies Act, 2013 the remuneration payable is upto 3 years.

Based on the recommendation of the Nomination and Remuneration Committee and Audit Committee, the Board of Directors of the Company in its Meeting held on August 12, 2025, had decided to continue with the same Managerial Remuneration as approved on August 17, 2023 upto remaining period of his tenure. The Managerial Remuneration, being exceeding the limit prescribed under Section 195, 197 and other applicable Sections read with Schedule V of the Companies Act, 2013, and applicable provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and such other provisions as may be applicable to the Company, requires approval of members.

Except, Mr. T. Gopichand and their relatives, none of the Directors and/ or Key Managerial Personnel of the Company and/ or their respective relatives are concerned or interested either directly or indirectly, except to the extent of their respective shareholding in the Company, if any, in the said Resolution.

The Board, recommends passing of this Special Resolution as set out at Item No. 8 of this Notice, for your approval.

Item No. 9:

Re-appointment and to fix the remuneration of Mr. Tummala Gopichand as Chairman and Managing Director of the Company

Mr. T. Gopichand has been re-appointed in the Annual General Meeting held on July 30, 2021 for a period of 5 years w.e.f. September 1, 2021. Hence, his term is to be completed on August 31, 2026.

Mr. T. Gopichand has been the Managing Director of your Company for the past 31 years. He has rich and varied experience and has led the Company with his charismatic leadership and entrepreneurial ability.

Considering the dedication and excellent work done by him and his relentless pursuit in taking the Company to heights during his tenure as Chairman and Managing Director, the Board of Directors on the recommendation of the Nomination and Remuneration Committee has at its meeting held on August 12, 2025, has recommended the re-appointment of Mr. Tummala Gopichand (DIN: 00107886) as Chairman and Managing Director of the Company for a further period of 5 years with effect from September 01, 2026 on such remuneration and perquisites as set out in the resolution in Item No. 9 of the Notice and in case of loss or inadequate profits the remuneration will be paid for a period of 3 years with effect from September 01, 2026. His re-appointment as a Chairman and Managing Director of the Company would be greatly beneficial for the future growth of the Company.

As per Section 178 of the Companies Act, 2013 ("the Act") the Nomination and Remuneration Committee at its meeting held on August 12, 2025 had, in the best interest and progress of the Company, proposed the re-appointment of Mr. Tummala Gopichand as the Chairman and Managing Director of the company for a further period of 5 (five) years commencing from September 01, 2026 and determined his remuneration as set out in the resolution and recommended the same to the Board. The proposed remuneration is well within the limits prescribed in the Act, the Schedule and Rules made there under.

Pursuant to the provisions of the Regulation 23 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), the Audit Committee at its meeting held on August 12, 2025 had also approved the remuneration payable to Mr. Tummala Gopichand as the Chairman and Managing Director of the Company for a period of 3 (three) years and recommended the same to the Board.

Pursuant to the provisions of Section 196, 197, 203, Schedule V and other applicable provisions, if any, of the Act, the re-appointment of the Managing Director shall be subject to the approval of the shareholders of the Company in the General Meeting. Further, Regulation 17(6)(e) of the Listing Regulations also requires approval of the Shareholders by way of Special Resolution in the General Meeting, if the aggregate annual remuneration payable to all the Executive Directors who are Promoters or Members of the Promoter Group exceeds 5% of the Net Profit of the Company. Also, Section 197 of the Act, requires approval of the Shareholders by way of a Special Resolution in the General Meeting if the remuneration payable to Executive Directors exceeds 10% of the Net Profit of the Company. As the remuneration payable to Mr. Tummala Gopichand during his remaining tenure as Chairman and Managing Director along with the remuneration payable to Mr. Tummala Madhu Mitra, Whole-Time Director may exceed the limits prescribed above, the approval of the Shareholders is also being sought vide a Special Resolution.

The disclosures as required under Schedule V of the Act, Regulation 36 of the Listing Regulations and Secretarial Standard on General Meetings (SS-2) issued by the Institute of Company Secretaries of India, are furnished and forms a part of this AGM Notice.

Except, Mr. T. Gopichand and their relatives, none of the Directors and/ or Key Managerial Personnel of the Company and/ or their respective relatives are concerned or interested either directly or indirectly, except to the extent of their respective shareholding in the Company, if any, in the said Resolution.

The Board, recommends passing of this Special Resolution as set out at Item No. 9 of this Notice, for your approval.

Item No. 10

Approval of Remuneration to Mr. T. Gopichand, Chairman & Managing Director and Mr. T. Madhu Mitra, Whole-Time Director of the Company, in excess of limits prescribed under regulation 17(6)(e) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended

Regulation 17(6)(e) of SEBI (LODR) (Amendment) Regulations, 2018 specifies that the fees or compensation payable to executive directors who are promoters or members of the promoter group, shall be subject to the approval of the shareholders by special resolution in general meeting, If - (i) the annual remuneration payable to such executive director exceeds Rs. 5 Crore or 2.5 per cent of the net profits of the listed entity calculated as per the provisions of Section 198 of the Companies Act, 2013, whichever is higher; or (ii) where there is more than one such director, the aggregate annual remuneration to such directors exceeds 5 per cent of the net profits of the listed entity. At present, on the Board of Directors of the Company, there are two executive directors Mr. Tummala Gopichand, Chairman and Managing Director and Mr. Tummala Madhu Mitra, Whole Time Director, who are also promoters/member of promoter group. The shareholders have approved remuneration payable to them within the limits as prescribed at that time as per Companies Act, 2013, while approving their appointments on July 30, 2021 and August 17, 2023 respectively, which is in excess of the newly prescribed threshold limits of SEBI (LODR)(Amendment) Regulations, 2018. This

necessitates seeking fresh approval of the shareholders by way of special resolution for retaining all existing terms and conditions of appointment of aforesaid Executive Directors including remuneration payable to them till the expiry of their respective term i.e. August 31, 2026 and August 16, 2028 respectively in order to comply with the above mentioned newly introduced Regulation 17(6)(e) of SEBI(LODR) Regulations, 2015. The Board approved the above proposal as recommended by the Nomination and Remuneration Committee and Audit Committee respective meetings held on August 12, 2025, after considering the valuable contributions of Executive Directors in the business growth of the Company and remuneration prevalent for the similar positions in the Industry.

Except, Mr. T. Gopichand and Mr. T. Madhu Mitra and their relatives, None of the Directors and/ or Key Managerial Personnel of the Company and/or their respective relatives are concerned or interested either directly or indirectly, except to the extent of their respective shareholding in the Company, if any, in the said Resolution.

The Board, recommends passing of this Special Resolution as set out at Item No. 10 of this Notice, for your approval.

Item No. 11

Approval for overall Borrowing Limits under Section 180(1)(c) of the Companies Act, 2013

The Members are informed that, pursuant to Section 180(1)(c) of the Companies Act, 2013, the Board of Directors may borrow monies exceeding the aggregate of the paid-up capital, free reserves, and securities premium only with the consent of the Members by way of a Special Resolution.

The Company's current borrowing limit without Member approval is approximately ₹100 Crores as per the audited financials for the year ended March 31, 2025. At the 20th Annual General Meeting held on September 30, 2014, the Members had approved borrowing limits up to ₹1,000 Crores.

In view of the Company's expanding business activities and future growth plans, it is proposed to increase the borrowing limits to the aggregate of the paid-up share capital, free reserves, and securities premium or ₹1,500 Crores, whichever is higher.

None of the Directors or Key Managerial Personnel of the Company or their relatives are, in any way, concerned or interested in this resolution.

The Board of Directors recommend the resolution set forth in Item no. 11 of the notice for your approval as a Special Resolution.

Item No. 12

Approval under Section 180(1)(a) of the Companies Act, 2013 inter alia for creation of mortgage or charge on the assets, properties or undertaking(s) of the Company

Section 180(1)(a) of the Companies Act, 2013 requires the consent of Members by way of a Special Resolution for the Board to create mortgage(s) or charge(s) on the Company's assets or undertaking(s) as security for borrowings.

The Company's existing limit for creation of mortgage/charges is ₹1,000 Crores approved in the 20th AGM held in 2014. With the Company's business expansion plans and higher borrowing limits proposed under Section 180(1)(c), it is prudent to revise the threshold for creation of charges/mortgages correspondingly.

Hence, approval of the Members is sought to empower the Board to create security over the Company's assets up to ₹1,500 Crores or the aggregate of paid-up capital, free reserves, and securities premium, whichever is higher.

None of the Directors or Key Managerial Personnel or their relatives is interested or concerned in the resolution except to the extent of their shareholding, if any.

The Board of Directors recommend the resolution set forth in Item no. 12 of the notice for your approval as a Special Resolution.

Item no. 13

Approval to advance any loan/give guarantee/provide security under section 185 of the Companies Act, 2013:

Section 185 of the Companies Act, 2013 prohibits companies from advancing loans (including book debts), giving guarantees, or providing security in connection with loans to any person in whom a Director is interested, unless prior approval is obtained by way of a Special Resolution of Members in a general meeting.

The Board proposes to extend financial support, including loans, guarantees, and securities, to certain persons/entities falling under this category, including Subsidiaries, Associates, Joint Ventures, Group Entities, or other related parties, for their principal business needs, within a maximum aggregate limit of ₹500 Crores.

These transactions will be in the interest of the Company and aligned with its strategic objectives. Accordingly, the Board recommends the resolution for approval by Members as a Special Resolution.

None of the Directors or Key Managerial Personnel or their relatives is interested or concerned in the resolution except to the extent of their shareholding, if any.

The Board of Directors recommend the resolution set forth in Item no. 13 of the notice for your approval as a Special Resolution.

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 2 (SS-2) ON GENERAL MEETINGS ISSUED BY THE INSTITUTE OF COMPANY SECRETARIES OF INDIA (ICSI).

	Particulars	Item No.3	Item No.9
A	Name of the Director	Madhu Mitra Tummala	Tummala Gopichand
B	Brief Resume:		
	(i) Director Identification Number (DIN)	07124242	00107886
	(ii) Date of Birth/Age	14-10-1986 (39 years)	09-06-1959 (66 years)
	(iii) Nationality	Indian	Indian
	(iv) Date of appointment on the Board	17-08-2023	26-09-1994
	(v) Educational Qualification	Bachelor of Science in Electrical Engineering from Purdue University, West Lafayette, IN (April 2010), USA	M. Tech
C	Nature of Expertise in specific Functional Areas	Having good work experience and knowledge in New Business development and Operations field and associated with Tera Software Limited since 2009.	Having more than 37 years of experience in IT industry.
D	Disclosure of relationships between directors inter-se	Son of Mr. T. Gopichand (CMD) and relative of Mr. T. Bapaiah Chowdary (NED)	Father of Mr. T. Madhu Mitra (WTD) and brother of Mr. T. Bapaiah Chowdary (NED)
E	Names of listed entities in which the person also holds the directorship and the membership of Committees of the board [along with listed entities from which the person has resigned in the past three years];	Nil	Nil
F	Shareholding of non-executive directors [in the listed entity, including shareholding as a beneficial owner	He is a WTD and holding 8,41,308 equity shares (6.72%)	He is CMD and holding 11,96,554 equity shares (9.56%)
G	The skills and capabilities required for the role and the manner in which the proposed person meets such requirements (In case of independent directors)	He is a Whole-Time Director	He Worked with Electronic Corporation of India Limited for a period of 13 years and involved in the technical support of Main Frame Computers and participated in various projects.

Item No.8, 9 & 10

The detailed information as required by Schedule V, Part II, Section II (A) of the Companies Act, 2013, is furnished hereunder for the information of the members in due compliance of the provisions of the said schedule.

I GENERAL INFORMATION			
1	Nature of Industry	The Company operates in the areas of IT, ITES and various e-governance projects of Public Sector Undertakings, State Governments and Central Government of India. Your company implements the projects as System Integrator/PPP model (BOOT, BOO, BOMT)	
2	Date or expected date of commencement of commercial production	The Company has commenced its commercial activities w.e.f. 26.09.1994.	
3	In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus.	N.A.	
4	Financial performance based on given indicators.	As per Audited Financial Results F.Y.2024-25	
		Particulars	Rs.in lakhs
		Revenue	10,764.38
		Profit before Tax	1237.94
		Profit After Tax	942.08
5	Foreign investments or collaborators, if any.	The Company is a listed entity and around 1.45% of equity is held by NRIs.	

II INFORMATION ABOUT THE SALARY INCREASING PERSON AND APPOINTEE:			
	1	Background details	<p>Mr. Tummala Gopichand - M. Tech in Electronics & Communication with 34+ years of experience in the IT industry. Worked with Electronic Corporation of India Limited for a period of 13 years. In ECIL, he was involved in the technical support of Main Frame Computers and participated in various projects like Power Plants Simulators at Rourkela, Demand Drafts Conciliation at State Bank of India, Delhi Electric Supply Undertaking. He had also extensively worked on Steel, Oil and Electricity projects. His leadership made this company as one of the pioneer in e-Governance projects and fast growing with domestic focus.</p> <p>Mr. Tummala Madhu Mitra - Bachelor of Science in Electrical Engineering from Purdue University, West Lafayette, IN (April 2010) having good work experience and knowledge in Software field.</p> <p>At present he is working as a Whole-Time Director (Marketing) and before worked as a Vice president, Planning & Strategy in Tera Software Limited from 2019 and associated with Tera Software Limited since 2009.</p> <p>Previously he worked in</p> <ul style="list-style-type: none"> a) Embedio Inc, Pune as Assistant Marketing Intern (Feb 2009 – May 2009) b) Scott A Jones (SAJE), Indiana (June 2008 – August 2008) Internship at SAJE c) Purdue University, West Lafayette, IN (Aug 2007 – Dec 2007) Undergraduate teaching assistant for MATLAB and Engineering problem solving d) Xilinx Ltd, India (May 2007 – July 2007) Internship at XILINX.
	2	Past remuneration	Salary Rs.9,00,000/- per month
	3	Recognition or awards	Nil
	4	Job profile and his suitability	Chairman & Managing Director and varied experience in the IT industry & related areas.
	5	Remuneration proposed	Where in any financial year during the currency of tenure of a managerial person, a company has no profits or its profits are inadequate remuneration as specified in Schedule – V, Part-II, Section-II, Para-A of the Companies Act, 2013 or more with the approval of the Shareholders by passing a special resolution at the forthcoming general meeting.
	6	Comparative remuneration profile with respect to industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be w.r.t. the country of his origin)	The remuneration proposed is similar to the remuneration being drawn by persons with similar background in the IT. industry & related areas.
	7	Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any	<p>Mr. Tummala Gopichand holds 11,96,554 equity shares directly in the Company and 47,50,773 shares through his family and others aggregating to 47.53 % and he is Father of Mr. T. Madhu Mitra (WTD and Promoter Group) and Mr. T. Rajasekhar (Vice-President and Promoter Group), Husband of Mrs. T. Pavana Devi, Promoter Group of the Company.</p> <p>Mr. Tummala Madhu Mitra holds 8,41,308 equity shares directly in the Company and 51,06,019 shares through his family and others aggregating to 47.53% and he is Son of Mr. T. Gopichand (CMD) and Mrs. T. Pavana Devi (Promoter Group), Brother of Mr. T. Rajasekhar, Vice-President and Promoter Group and Brother's son of Mr. T. Bapaiah Chowdary, Director and Promoter Group of the Company.</p>
III OTHER INFORMATION			
	1	Reasons for loss or inadequate profits	Due to the huge capital employed in future business, there may be increase in financial costs, depreciation and coverage of GST slab variations to the projects may result in lesser net profits. On disposal of the present pending cases w.r.t. GST and other Taxes may affect the profitability.
	2	Steps taken or proposed to be taken for improvement	Realisation of values to the extent of works executed by Tera Software will result in improvement of profit margins over a period of time.
	3	Expected increase in productivity and profits in measurable terms	Same As above.

By Order of the Board of Directors

Tummala Gopichand
 Chairman & Managing Director
 DIN: 00107886

Place: Hyderabad
 Date: 12th August, 2025

BOARD'S REPORT

DEAR MEMBERS,

Your Directors are pleased to present the Board's Report along with the Audited Financial Statements of the Company for the financial year ended March 31, 2025.

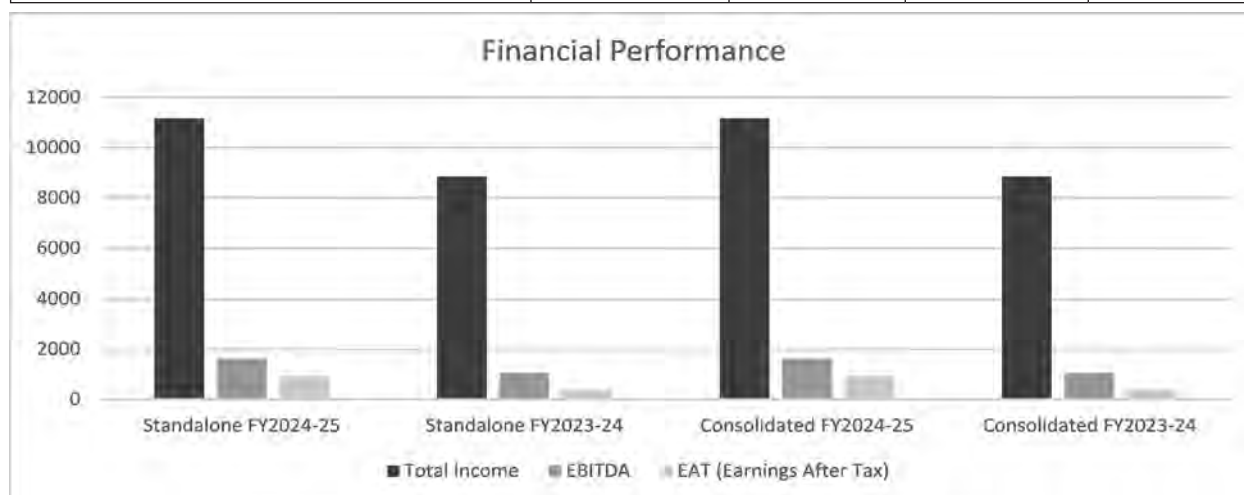
1. FINANCIAL PERFORMANCE

The Audited Financial Statements of your Company as on March 31, 2025, are prepared in accordance with the relevant applicable Accounting Standards ("AS") and Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") and the provisions of the Companies Act, 2013 ("Act").

The financial performance of the Company based on Audited Financial Statements for the financial year 2024-25 is summarized below:

(Rs. in Lakhs)

PARTICULARS	Standalone		Consolidated	
	Financial Year 2024-25	Financial Year 2023-24	Financial Year 2024-25	Financial Year 2023-24
Total Income	11170.49	8841.13	11170.49	8841.13
EBITDA	1634.97	1053.53	1634.38	1053.03
Less: Interest	379.18	285.86	379.18	285.86
EBTDA	1255.79	767.67	1255.20	767.17
Less: Depreciation	13.59	14.98	13.59	14.98
EBT	1242.20	752.69	1241.61	752.19
Less: Exceptional Items	(4.26)	139.47	(4.26)	139.47
Less: Tax Expenses	295.86	221.27	295.86	221.27
EAT (Earnings After Tax)	942.08	391.95	941.49	391.45
Profit/Loss carried to B/S	995.89	462.26	995.30	461.76
EPS (Basic & Diluted)	7.53	3.13	7.52	3.13



- Achieved a growth of 27% in operation performance.
- Earnings After Tax (EAT) and Earnings Per Share (EPS) recorded a significant increase of 140%.

2. OPERATIONAL HIGHLIGHTS AND STATE OF COMPANY'S AFFAIRS

During the financial year 2024-25, the Company recorded a significant increase in its Standalone Operational Revenue, which stood at Rs. 10764.38 Lakhs, as compared to Rs. 8448.25 Lakhs in the previous financial year. This growth reflects the strong operational performance and effective execution of strategic initiatives and reflecting notable growth of 27%.

The Standalone Profit after Tax for the reporting year also demonstrated substantial improvement, rising to Rs. 942.08 Lakhs from Rs. 391.95 Lakhs in the previous year, indicating enhanced operational efficiency and profitability and reflecting notable growth of 140%. There were no operations from its subsidiary company.

3. DIVIDEND

The Board of Directors, at its meeting held on August 12, 2025, has recommended a Final Dividend of 10% i.e. ₹1/- (Rupee One only) per equity share of face value ₹10/- (Rupees Ten only) each, for the financial year ended on March 31, 2025, out of reserves.

The recommended dividend amounts to a total payout of ₹1,25,11,875/- on 1,25,11,875 equity shares, and is subject to approval of the members at the ensuing Annual General Meeting (AGM). The dividend, upon approval, will be paid in compliance with applicable provisions and shall be subject to deduction of tax at source in accordance with the provisions of the Income-tax Act, 1961.

The provisions of Regulation 43A of SEBI (LODR) Regulations, 2015 regarding formulation of a Dividend Distribution Policy are not applicable to the Company, as it is not among the top 1,000 listed entities by market capitalisation as on March 31, 2025.

4. TRANSFER TO RESERVES

Your Company has not transferred any amount to General Reserve under the head Reserves & Surplus for the financial year ended on March 31, 2025.

5. LISTING OF EQUITY SHARES

As on date of this report, 1,25,11,875 Equity Shares of Rs.10/- each of the Company are listed on the BSE Limited (BSE) - Scrip Code : 533982 and National Stock Exchange of India Ltd (NSE)- Scrip Symbol : TERASOFT. The Annual listing fees of both the stock exchanges have been paid.

6. CHANGE IN NATURE OF BUSINESS

There has been no change in the nature of business carried on by the company. The Company continued to be in the business of IT, Fibernet, Telecom Infra Services, Digitilisation of Records, Power bills distribution and payments etc.,

7. MATERIAL CHANGES AND COMMITMENTS AFFECTING FINANCIAL POSITION OF YOUR COMPANY

There have been no material changes and commitments which have occurred between the end of the financial year to which the financial statements relate and the date of this Report, affecting the financial position of the company. Hence no further disclosures are made pursuant to Section 134(3)(l) of the Companies Act, 2013.

8. SUBSIDIARY, JOINT VENTURE AND ASSOCIATE COMPANIES

During the year under review, M/s TS Innovations Private Limited continued to be a subsidiary of Tera Software Limited, in which the Company holds 74% of the equity shares. The remaining 26% equity shares are proposed to be acquired by the Company, and the necessary actions in this regard are currently in process.

Statement containing salient features of financial statements of said Associate Company in terms of provisions of Section 129(3) of the Companies Act, 2013 in the prescribed **Form AOC-1** is annexed to the Board Report as **Annexure – A**.

9. CONSOLIDATED FINANCIAL STATEMENTS

Your Directors have pleasure in attaching the Audited Consolidated Financial Statements for the year under review pursuant to Companies Act, 2013 read with SEBI (LODR) Regulations. The Consolidated Financial Statements presented by your Company have been prepared as per Accounting Standards. The Financial statements of the Company have been consolidated with the Financial Statements of its Subsidiary Company i.e. M/s TS Innovations Private Limited.

10. CORPORATE GOVERNANCE REPORT

Pursuant to Regulation 34 read with Schedule V of the SEBI Listing Regulations, **a report on Corporate Governance** is annexed as **“Annexure – B”** and forms part of the annual report.

11. DIRECTORS AND KEY MANAGEMENT PERSONNEL AND RELEVANT DISCLOSURES

- Composition of Board:**

As on March 31, 2025, your Board consists of 6 Directors comprising of (i) Two Executive Directors, (ii) One Non-Executive Director and (iii) Three Independent Directors. The Board of the Company is compliant with provisions of Companies Act 2013 and SEBI (LODR) Regulations 2015.

- Appointment and Superannuation of Directors during the year:**

Details of Appointment, Superannuation of Directors and/ or Key Managerial personnel of the Company during the year under review, are as under:

Name of the Director	DIN	Designation	Nature of Change	Effective date of change
Smt. Vemuri Usha Rani	03601565	Independent Director	Appointment	August 03, 2024
Dr. T. Hanuman Chowdary	00107006	Independent Director	Term Completed	September 30, 2024
Dr. T. V. Lakshmi	00003020	Independent Director	Term Completed	September 30, 2024

- **Key Managerial Personnel (KMP)**

Details of Key Managerial Personnel of the Company:

Sri. T. Gopichand	Chairman and Managing Director
Sri. T. Madhu Mitra	Whole-Time Director
Ms. D. Pravallika	Chief Financial Officer
Sri. Ch. Mallikarjuna	Company Secretary & Compliance Officer

- **Declaration by Independent Directors:**

The Company has received declaration from the Independent Directors confirming that they meet the criteria of independence as prescribed under the Companies Act 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the Listing Regulations"). The terms of appointment of Independent Directors are in compliance with the Code of Conduct prescribed under Schedule IV of the Act and the Code of Business Conduct adopted by the Company. (Policy link: <https://terasoftware.com/terms-and-conditions-of-appointment-of-independent-directors>)

- **Directors' Appointment / Re-Appointment at the ensuing AGM:**

Pursuant to the recommendation of the Nomination and Remuneration Committee (NRC) in accordance with the provisions of Section 178 of the Companies Act, 2013 and Regulation 19 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI LODR"), the Board, at its meeting held on August 12, 2025, considered and approved the following proposals:

- Mr. T. Madhu Mitra (DIN: 07124242), Whole-time Director, who is liable to retire by rotation in terms of Section 152(6) of the Companies Act, 2013, is eligible for re-appointment.
- The first term of five years of Mr. Divakar Atluri, Independent Director, will conclude on February 11, 2026. In accordance with Sections 149(10) and 149(11) of the Companies Act, 2013, read with Regulation 25(2A) of the SEBI (LODR) Regulations, he is eligible for re-appointment for a second term as an Independent Director. However, he has expressed his unwillingness to be re-appointed and has informed the Company that he is unable to continue due to his pre-occupations.
- The current term of Mr. T. Gopichand (DIN: 00107886), Chairman and Managing Director, will conclude on August 31, 2026. In accordance with Sections 196, 197 and 203 of the Companies Act, 2013 read with Schedule V thereto and Regulation 17(6)(e) of the SEBI LODR, he is eligible for re-appointment for a further term.

The Notice convening the Annual General Meeting forms part of this Annual Report and includes the above proposals for the appointment / re-appointment of Directors, along with the required disclosures pursuant to Secretarial Standard-2 on General Meetings and Regulation 36 of the SEBI LODR.

12. BOARD AND COMMITTEE COMPOSITION AND THEIR MEETINGS

- **Board Meeting and Composition:**

The Board of Directors held Four (04) meetings during the financial year 2024-25 in compliance with the provisions of the Companies Act, 2013 and rules made thereunder. The prescribed quorum was present during all the meetings and Directors of the Company actively participated in the meetings and contributed valuable inputs on all the agenda items of the Board Meeting.

The details of Board Meeting and records of presence during the meeting are as under:

i) May 27, 2024, ii) August 03, 2024, iii) November 07, 2024 and iv) February 11, 2025

Name of Director	Designation	Category	No. of Board Meetings eligible to attend During the year	No. of Board Meetings attended during the year
Sri. T. Gopichand	CMD	Promoter	4	4
Sri. T. Madhu Mitra	WTD	Promoter Group	4	4
Sri. Divakar Atluri	NED	Independent	4	4
Prof. Dr. Braja Bandhu Nayak	NED	Independent	4	4
Smt. V. Usha Rani	NED	Independent	3	3
Sri. T. Bapaiah Chowdary	NED	Promoter Group	4	4
Dr. T. Hanuman Chowdary	NED	Independent Director	2	2
Dr. T.V. Lakshmi	NED	Independent Director	2	2

CMD – Chairman and Managing Director, WTD – Whole Time Director, NED - Non- Executive Director

- **Meeting of Independent Directors:**

During the year under review, three Independent Directors duly met on February 11, 2025 and reviewed the performance of Non-Independent Directors and the Board as a whole taking into account the views of the other Directors.

13. COMMITTEES OF BOARD

The Company has formed following Committees of the Board in compliance with provisions of Companies Act 2013 and SEBI (LODR) Regulations 2015. In order to adhere to the best corporate governance practices, to effectively discharge its functions and responsibilities and in compliance with the requirements of applicable laws:

i) Audit Committee, ii) Debtors Review Committee (a sub-committee of Audit committee), iii) Nomination and Remuneration Committee, iv) Stakeholders Relationship Committee, iv) Corporate Social Responsibility Committee, v) Borrowing Committee and vi) Management Committee.

The details of the Committees and its Meeting are provided in Corporate Governance Report in Annexure-B

14. POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION INCLUDING CRITERIA FOR DETERMINING QUALIFICATIONS, POSITIVE ATTRIBUTES AND INDEPENDENCE OF A DIRECTOR

Pursuant to provisions of Section 178 read with 134(3)(e) of Companies Act 2013, The Nomination and Remuneration Committee (NRC) has approved the criteria and process for identification/ appointment of Directors.

The NRC has formulated a policy on Director's appointment and remuneration including recommendation of remuneration of the key managerial personnel and senior management personnel and the criteria for determining qualifications, positive attributes and independence of a Director. There has been no change in the said Policy during the year under review.

15. EVALUATION OF BOARD, ITS COMMITTEES AND INDIVIDUAL DIRECTORS

The evaluation of the Board, its Committees and Individual Directors was carried out as per the process and criteria laid down by the Board of Directors. The proforma formats for facilitating the evaluation process of the Non-Independent Directors and the Board as a whole and the Committees were sent to the respective Directors. Based on the response received from the respective Directors, brief presentation was placed before the Board containing the outcome of their evaluation.

Based on the feedback, the Board expressed satisfaction on overall functioning of the Board, the Committees and performance of the Directors.

16. MANAGEMENT DISCUSSION AND ANALYSIS

As stipulated under Regulation 34(2)(e) read with Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the **Management Discussion and Analysis Report** is annexed herewith as **Annexure - C** and forms an integral part of this Annual Report.

The report provides an overview of the industry structure, developments, opportunities and threats, operational and financial performance, internal control systems, and other material developments during the year under review.

17. CORPORATE SOCIAL RESPONSIBILITY

In accordance with the provisions of Section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014 (as amended), your Company has constituted a CSR Committee to oversee the implementation of its CSR initiatives.

The details of the Committees and its Meeting are provided in **Corporate Governance Report in Annexure-B**

Your Company has a longstanding commitment to social responsibility and has undertaken several philanthropic and community development initiatives.

The CSR Policy of the Company, as recommended by the CSR Committee and approved by the Board of Directors, is available on the Company's website at: <https://terasoftware.com/investors/corporate-social-responsibility-policy>

A brief outline of the CSR Policy and the **Annual Report on CSR Activities** undertaken during the financial year, as required under the Companies (Corporate Social Responsibility Policy) Rules, 2014 (as amended), is provided in **Annexure - D** to this Report.

18. INTERNAL FINANCIAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has in place adequate internal financial controls with reference to financial statements. The Board has inter alia reviewed the adequacy and effectiveness of the Company's internal financial controls relating to its financial statements. During the year, no reportable material weakness was observed.

19. ANNUAL RETURN

In compliance with the provisions of Section 92(3) read with Section 134(3)(a) of the Act, the **draft annual return** as on the March 31, 2025 is uploaded on the website of the company and is available at [https:// terasoftware.com/annual-return](https://terasoftware.com/annual-return).

20. DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirement Clause (c) of Sub Section (3) of Section 134 of the Companies Act, 2013 with respect to Director's Responsibility Statement, it is hereby confirmed that-

- a) In the preparation of the annual accounts for the year ended on March 31, 2025 the applicable accounting standards had been followed along with proper explanation relating to material departures, if any.
- b) The directors had 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 as on March 31, 2025 and of the profit of the company for that period.
- c) The directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) The directors had prepared the accounts for the year ended on March 31, 2025 on a "going concern" basis.
- e) the Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively; and
- f) The directors had devised proper system to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

21. AUDITORS

(A) Statutory Auditors:

M/s Narven Associates, Chartered Accountants were the statutory auditors of the Company for the FY 2024-25. They have appointed for a term of five years i.e. to hold office from the conclusion of 28th AGM held on 24-09-2022 till the conclusion of 33rd AGM of the Company to be held in the year 2027.

Board's Comment on the Statutory Auditor's Report:

The statutory Auditors' Report forms part of the Annual Report for the FY 2024-25. The report is self-explanatory. The report does not contain any qualification, reservation or adverse remark.

(B) Cost Auditor:

The provisions of Section 148, read with Companies (Cost Record and Audit) Rules, 2014, are not applicable to the Company.

(C) Secretarial Auditor:

Pursuant to Section 204 of the Act read with the Rules thereof, the Board of Directors have appointed M/s C.V. Reddy K & Associates, the Practicing Company Secretaries, Peer Reviewed Firm, Hyderabad for conducting a secretarial audit of secretarial records of the company for the financial year 2024-25. The **Secretarial Audit Report** for F.Y.2024-25 along with **Annual Secretarial Compliance Report** is annexed herewith as **Annexure – E**. Their term is completed with the FY 2024-25.

Board's Comment on the Secretarial Audit Report:

There are no adverse observations in the secretarial Audit Report for the F.Y. 2024 25 and hence does not call for any explanation.

Pursuant to the provisions of the amended Listing Regulations, the Board of Directors of the Company ("the Board") at their meeting held on May 16, 2025, considering the experience and expertise and on the recommendation of the Audit Committee, has recommended for the approval of the Members of the Company, appointment of M/s. RPR & Associates, Hyderabad, as the Secretarial Auditor of the Company, for a period of Five (5) consecutive years from commencing from Financial Year 2025-26 till Financial Year 2029-30.

(D) Internal Auditor:

Pursuant to Section 138(1) of the Companies Act, 2013 the company appointed M/s. Darapaneni & Co., a firm of practicing chartered accountants as the Internal Auditors to conduct an internal audit of the functions and activities of the company for FY 2024 -25. The Internal Auditor observations and corrective measures were presented to the Board during their meeting.

22. PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES

The information required under Section 197(12) of the Act read with Rule 5(1), 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is attached as **Annexure – F**

23. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS BY THE COMPANY

The Company has complied with the provisions of section 185 and 186 of the Companies Act, 2013 to the extent applicable for providing Loans or Guarantee or for making an investment.

24. DISCLOSURE OF INFORMATION REGARDING RELATED PARTY TRANSACTION UNDER SECTION 188 OF COMPANIES ACT, 2013

All Contracts/transactions entered by the Company during the financial year with related parties were in its ordinary course of business and on an arm's length basis.

During the year, the company had not entered into Contract/ Transaction with Related parties which could be considered as material Related Party Transaction pursuant to the Regulation 23 of SEBI (LODR) Regulations 2015 as amended from time to time. The details of material related party transaction are reported in the prescribed **Form AOC-2** under the **Annexure - G**.

25. COMPLIANCE WITH SECRETARIAL STANDARD

The Company has Complied with the applicable Secretarial Standards on meetings of the Board of Directors and Meeting of the shareholders, issued by The Institute of Company Secretaries of India and approved by Central Government under section 118(10) of the Companies Act, 2013 and the Board of Directors confirms the compliance of the applicable Secretarial Standards.

26. CONSERVATION OF ENERGY, ABSORPTION OF TECHNOLOGY AND FOREIGN EXCHANGE

The Company is not engaged in manufacturing of goods and hence Company does not conserve energy. Company has neither adopted any Technology nor has spent amount for adoption of Technology during the year. There is no amount of Foreign Exchange inflow or outflow during the year and hence no disclosures have been made in this regard.

27. 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.

The Board of Directors monitor the above mentioned or any other unforeseen / unexpected risks and ensure the smooth and clinical implementation of mitigation measures as are in the best interest of the company under the circumstances.

28. VIGIL MECHANISM

As required under Companies Act and SEBI (LODR) Regulations, the Company has put in place Vigil Mechanism / Whistle Blower Policy for Directors and Employees so that the Directors and employees can report concerns about unethical behaviour, actual or suspected fraud or violation of the Company's Code of Conduct Policy and SEBI Insider Trading Regulations. Whistle Blower Policy is disclosed on the website: <https://terasoftware.com/uploads/VIGIL-BLOWER-POLICY.pdf>

29. CODE FOR PREVENTION OF INSIDER TRADING

Your Company has adopted a Code of Conduct ("PIT Code") to regulate, monitor and report trading in your Company's shares by Company's designated persons and their immediate relatives as per the requirements under the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015. The Code, inter alia, lays down the procedures to be followed by designated persons while trading/dealing in Company's shares and sharing Unpublished Price Sensitive Information ("UPSI").

The PIT Code covers Company's obligation to maintain a digital database, mechanism for prevention of insider trading and handling of UPSI, and the process to familiarise with the sensitivity of UPSI. Further, it also includes code for practices and procedures for fair disclosure of unpublished price sensitive information which has been made available on your Company's website and link <https://terasoftware.com/investors/code-of-practices-and-procedures-for-fair-disclosure-of-upsi>

30. ACCEPTANCE OF DEPOSIT

The Company has not accepted any deposits within the meaning of Section 73 of the Companies Act, 2013 read with the Companies (Acceptance of Deposit) Rules, 2014. Hence no further disclosure made under Rule 8(5) of Companies (Accounts) Rules 2014.

31. SIGNIFICANT AND MATERIAL ORDERS AS PASSED BY THE REGULATORS OR COURTS

There are no significant and material orders passed by the regulators/court that would impact the going concern status of the company and its future operations.

32. DETAILS IN RESPECT OF FRAUD

The Auditors have not reported any Fraud under the provisions of Section 143(12) of Companies Act 2013.

33. DETAILS OF APPLICATION MADE OR PROCEEDING PENDING UNDER INSOLVENCY AND BANKRUPTCY CODE 2016

During the year under review, there were no application made or proceeding pending in the name of the company under the Insolvency Bankruptcy Code, 2016.

34. DETAILS OF DIFFERENCE BETWEEN VALUATION AMOUNT ON ONE TIME SETTLEMENT AND VALUATION WHILE AVAILING LOAN FROM BANKS AND FINANCIAL INSTITUTIONS

During the year under review, there has been no one-time settlement of loans taken from banks and financial institution.

35. DECLARATION / CERTIFICATE PURSUANT TO SCHEDULE V OF SEBI (LODR) REGULATIONS 2015

Declaration Certificate that the Members of the Board of Directors and senior management personnel have affirmed compliance with the **code of conduct of Board of Directors and Senior Management** is attached to the Board Report as **Annexure - H**.

36. DISCLOSURE WITH REGARD TO DEMAT SUSPENSE ACCOUNT / UNCLAIMED SUSPENSE ACCOUNT

In accordance with the applicable provisions of Companies Act, 2013, LODR Regulations and as per SEBI Circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/ 2022/8, dated January 25, 2022, the Company opened a 'Suspense Escrow Demat Account' to credit the securities to the Suspense Escrow Demat Account of the Company, in case the securities holder/claimant fails to submit the demat request within the specified period.

37. INVESTOR EDUCATION AND PROTECTION FUND (IEPF)

In accordance with the applicable provisions of Companies Act, 2013 read with Investor Education and Protection Fund (Accounting, Audit, Transfer and Refund) Rules, 2016 ("IEPF Rules"), all unclaimed dividends are required to be transferred by the Company to the IEPF, after completion of seven (7) years. Further, according to IEPF Rules, the shares on which dividend has not been claimed by the shareholders for seven (7) consecutive years or more shall be transferred to the demat account of the IEPF Authority.

During the period under review, the Company does not have any unclaimed Dividend or Unclaimed Shares.

38. PREVENTION OF SEXUAL HARASSMENT OF WOMEN AT WORKPLACE

Our Company has always believed in providing a safe and harassment free workplace for every individual working in the Company premises. Company always endeavors to create and provide an environment that is free from any discrimination and harassment.

The policy on prevention of sexual harassment at workplace aims at prevention of harassment of employees (whether permanent, temporary, ad-hoc, consultants, interns or contract workers irrespective of gender) and lays down the guidelines for identification, reporting and prevention of undesired behaviour. During the financial year ended March 31, 2025, there were no complaints recorded pertaining to sexual harassment.

39. MATERNITY BENEFIT

The Board confirms that the Company has complied with the applicable provisions of the Maternity Benefit Act, 1961, including those relating to maternity leaves facilities. The Company remains committed to ensuring a safe, inclusive, and supportive working environment for all women employees.

40. CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

In accordance with the Listing Regulations, the Company has received a certificate from M/s RPR & Associates, Practicing Company Secretaries, confirming that **none of the Directors on the Board of the Company has been disqualified from acting as a Director** for the year ended March 31, 2025. The said certificate is annexed as **Annexure - I**.

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

The **Compliance Certificate from the Auditors on compliance** with the conditions of Corporate Governance, as stipulated in Part E of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, for the year ended March 31, 2025, is annexed as **Annexure - J**.

42. COMPLIANCE CERTIFICATE SIGNED BY CEO & CFO

The **Compliance Certificate signed by the CEO and CFO** for the financial year ended March 31, 2025, pursuant to Regulation 17(8) read with Part B of Schedule II of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, is annexed as **Annexure - K**.

ACKNOWLEDGEMENT

The Directors place on record their sincere thanks to the Bankers, Business associates, consultants, customers, employees for their continued support extended to your Companies activities during the year under review. Your Directors also acknowledges gratefully the shareholders for their support and confidence reposed on your Company.

For and on behalf of the Board

Place: Hyderabad
Date : 12th August, 2025

T. Madhu Mitra
Whole-Time Director
DIN: 07124242

Tummala Gopichand
Chairman and Managing Director
DIN: 00107886

Annexure-A
Form AOC - 1

(Pursuant to first proviso to sub-section (3) of section 129 read with Rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of subsidiaries or associate companies or Joint ventures
Part-A Subsidiaries

(Amounts in Rs.)

1	Name of the Subsidiary	TS Innovations Private Limited
2	The date since when subsidiary was acquired	July 18, 2023
3	Reporting period for the subsidiary concerned, if different from the holding company's reporting period.	March 31, 2025
4	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries.	NA
5	Share capital	1,00,000
6	Reserves and surplus	(1,08,510)
7	Total assets	41,490
8	Total Liabilities	50,000
9	Investments	Nil
10	Turnover	Nil
11	Profit before taxation	(59,110)
12	Provision for taxation	-
13	Profit after taxation	(59,110)
14	Proposed Dividend	-
15	Extent of shareholding (in percentage)	74%

- Names of subsidiaries which are yet to commence operations: **Nil**
- Names of subsidiaries which have been liquidated or sold during the year: **Nil**

Part B
Associates and Joint Ventures
Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

1	Name of Associates or Joint Ventures	Nil
2	Latest audited Balance Sheet Date	NA
3	Date on which the Associate or Joint Venture was associated or acquired	NA
4	Shares of Associate or Joint Ventures held by the company on the year end	NA
5	No.	NA
6	Amount of Investment in Associates or Joint Venture	NA
7	Extent of Holding (in percentage)	NA
8	Description of how there is significant influence	NA
9	Reason why the associate/Joint venture is not consolidated. Net worth attributable to shareholding as per latest audited Balance Sheet	NA
10	Profit or Loss for the year	NA
11	Considered in Consolidation	NA
12	Not Considered in Consolidation	NA

- Names of associates or joint ventures which are yet to commence operations: **Nil**
- Names of associates or joint ventures which have been liquidated or sold during the year: **Nil**

For and on behalf of the Board

Place: Hyderabad
Date : 12th August, 2025

T. Madhu Mitra
Whole-Time Director
DIN: 07124242

Tummala Gopichand
Chairman and Managing Director
DIN: 00107886

CORPORATE GOVERNANCE REPORT

[For the Financial Year 2024-25]

(Pursuant to Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

The Company is committed to upholding the highest standards of Corporate Governance by ensuring transparency, accountability, and ethical conduct in all its operations. Our governance framework is designed to protect and enhance the interests of all stakeholders, including shareholders, employees, customers, and the community at large.

In line with the SEBI (LODR) Regulations, 2015, and the provisions of the Companies Act, 2013, the Company has in place robust systems for effective Board oversight, compliance, and risk management.

2. BOARD OF DIRECTORS

(a) (i) Composition and Category of Directors as on 31st March 2025:

The composition of the Board is in compliance with Regulation 17 of the SEBI (LODR) Regulations, 2015.

Category	No. of Directors
Executive Directors	2
Non-Executive Independent Directors	3
Non-Executive Non-Independent Directors	1
Total	6

Name of the Director and DIN	Category	Number of Directorships in other public companies	Number of Committee positions held in other Public companies	
			Chairman	Member
Mr. T. Gopichand (DIN: 00107886)	Chairman & Managing Director (Promoter)	Nil	Nil	Nil
Dr. T. Hanuman Chowdary (DIN: 00107006)	Independent Non-Executive Director (upto 30/09/2024)	3	3	Nil
Dr. T.V. Lakshmi (DIN: 00003020)	Independent Non-Executive Director (upto 30/09/2024)	Nil	Nil	2
Mr. A. Divakar (DIN: 00033386)	Independent Non-Executive Director	2	Nil	4
Prof. Dr. Braja Bandhu Nayak (DIN: 09702361)	Independent Non-Executive Director	Nil	Nil	Nil
Mr. T. Bapaiah Chowdary (DIN: 00107795)	Non-Executive Director (Promoter Group)	Nil	Nil	Nil
Mr. T. Madhu Mitra (DIN: 07124242)	Whole-time Director (Promoter Group)	1	Nil	Nil
Mrs. V. Usha Rani (DIN: 03601565)	Independent Non-Executive Director (appointed w.e.f. 3/8/2024)	Nil	Nil	Nil

(ii) Board of Directors – Changes and Tenure Details:

- Mr. T. Gopichand, Chairman and Managing Director – His current tenure will be completed on August 31, 2026, and he is eligible for re-appointment.
- Dr. T. Hanuman Chowdary and Dr. T.V. Lakshmi – The tenure of their second term of five years as Independent Directors was completed on September 30, 2024.
- Mrs. Vemuri Usha Rani – Appointed as an Additional Director in the capacity of Non-Executive Independent Director in the Board Meeting held on August 3, 2024. Her appointment was approved by the members at the AGM held on September 9, 2024.
- Mr. Divakar Atluri, Independent Director – His first term of five years will be completed on February 11, 2026, and he is eligible for re-appointment, but he has expressed his unwillingness to be re-appointed due to his pre occupations.
- Mr. T. Madhu Mitra, Whole-Time Director – Retiring by rotation in the ensuing AGM and eligible for re-appointment.

Note:

- The number of directorships stated in the Corporate Governance Report excludes directorships in Private Limited Companies, companies registered under Section 8 of the Companies Act, 2013, and companies registered under Section 25 of the Companies Act, 1956.
- Chairmanship/Membership of Committees mentioned includes only the Audit Committee, Nomination and Remuneration Committee, Corporate Social Responsibility Committee, and Stakeholders Relationship Committee of Public Limited Companies.

(b) Attendance of each director at the meeting of the board of directors and the last annual general meeting:

Name of Director	Category	Board Meetings Held	Board Meetings Attended	Attendance at Last AGM
Mr. T. Gopichand	Chairman & MD	4	4	Yes
Mr. T. Madhu Mitra	WTD	4	4	Yes
Mr. Divakar Atluri	Independent Director	4	4	Yes
Prof. Dr. Braja Bandhu Nayak	Independent Director	4	4	Yes
Mrs. V. Usha Rani	Independent Director	4	3	Yes
Dr. T. Hanuman Chowdary	Independent Director	4	2	Yes
Dr. T. V. Lakshmi	Independent Director	4	2	Yes
Mr. T. Bapaiah Chowdary	Non-Executive Director	4	4	Yes

(c) Details of Directorships held in other Listed Entities (excluding directorship held in the company) as on March 31, 2025, are as follows:

Name of Director	Directorship in other Listed entity	Category
Mr. T. Gopichand	Nil	NA
Mr. A. Divakar	Jeevan Scientific Technology Limited	Non-Independent Director (Non-Executive)
Prof. Dr. Braja Bandhu Nayak	Nil	NA
Mr. T. Bapaiah Chowdary	Nil	NA
Mr. T. Madhu Mitra	Nil	NA
Mrs. V. Usha Rani	Nil	NA

(d) Number of meetings of the board of directors held and dates on which held:

The Board of Directors held Four (04) meetings during the financial year 2024-25 in compliance with the provisions of the Companies Act, 2013 and rules made thereunder. The prescribed quorum was present during all the meetings and Directors of the Company actively participated in the meetings and contributed valuable inputs on all the agenda items of the Board Meeting.

The dates of Board Meetings held are as under:

i) May 27, 2024, ii) August 03, 2024, iii) November 07, 2024 and iv) February 11, 2025

(e) Disclosure of relationships between directors inter-se:

Name of the Director	Nature of Relationship
Mr. T. Gopichand (Chairman and Managing Director)	Father of Mr. T. Madhu Mitra (Whole-time Director) and Brother of Mr. T. Bapaiah Chowdary (Non-Executive Director)
Mr. T. Bapaiah Chowdary (Non-Executive Director)	Brother of Mr. T. Gopichand (Chairman & Managing Director of the Company) and Uncle of Mr. T. Madhu Mitra (Whole-Time Director)
Mr. T. Madhu Mitra (Whole-time Director)	Son of Mr. T. Gopichand (Chairman & Managing Director of the Company) and Brother's son of Mr. T. Bapaiah Chowdary (Non-Executive Director)

(f) Number of Equity Shares and convertible instruments held by non- executive directors as on March 31, 2025:

Name	Category	No. of Equity Shares held
Mr. T. Bapaiah Chowdary	Non-Executive Director	92,676

(g) Web link where details of familiarisation programmes imparted to independent directors are disclosed:

The details of the familiarisation programmes imparted to Independent Directors are disclosed on the Company's website and can be accessed at the following link: <https://terasoftware.com/investors/information-under-regulation-46-2-of-sebi-lodr-regulations-2015>

(h) Details of skills / expertise / competence of the Board of Directors:

The Board has identified the following skills/expertise/competencies fundamental for the effective functioning of the Company along with the names of Directors who possess such skills/expertise/competencies:

S.No.	Name of the Director	Skills / Expertise / Competence
1	Mr. T. Gopichand	Technology Innovation, Strategic Development & Leadership
2	Mr. A. Divakar	Accounts, Audit and Governance
3	Prof. Dr. Braja Bandhu Nayak	Corporate Governance, Strategic Planning, Operation, Large Scale Manufacturing and Management of Projects of national importance.
4	Mr. T. Bapaiah Chowdary	Management
5	Mr. T. Madhu Mitra	Technocrat, Strategic Planning, Project Management
6	Mrs. V. Usha Rani	Administrative Services (Retd. IAS Officer)

(i) Confirmation that in the opinion of the board, the independent directors fulfill the conditions specified in the SEBI (LODR) Regulations and are independent of the management:

The Board hereby confirms that the independent directors have fulfilled the conditions specified in the (SEBI) LODR Regulations and are independent of the management during period under review.

(j) Detailed reasons for the resignation of an independent director who resigns before the expiry of his/her tenure along with a confirmation by such director that there are no other material reasons other than those provided:

During the period under review, no independent director has resigned before the expiry of his/her tenure.

BOARD COMMITTEES

The Board currently has the following five Committees:

- (i) Audit Committee
- (ii) Nomination and Remuneration Committee
- (iii) Stakeholders' Relationship Committee
- (iv) Corporate Social Responsibility Committee
- (v) Management Committee (constituted w.e.f. May 16, 2025)

In addition, there was one Sub-Committee of the Audit Committee, namely the (vi) Debtors Review Committee.

A Borrowing Committee was dissolved w.e.f. May 16, 2025.

The terms of reference of the above Committees are in compliance with the provisions of the Companies Act, 2013, the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and such other applicable laws, as well as those determined by the Board from time to time.

The Board is responsible for constituting the Committees, defining their terms of reference, and appointing their members. The Committees review matters falling within their respective scopes and make recommendations to the Board. Based on such recommendations, suggestions, and observations, the Board takes informed decisions.

Draft minutes of each Committee meeting are circulated to its members for comments and, thereafter, confirmed in the subsequent meeting of the respective Committee, in accordance with the Secretarial Standard on Meetings of the Board of Directors (SS-1) issued by the Institute of Company Secretaries of India. The confirmed minutes of the Committee meetings are also placed before the Board for its information.

A brief description of the terms of reference, the composition of each Committee, the number of meetings held during the financial year, and the attendance of members is provided in the following sections.

3. AUDIT COMMITTEE

(a) Brief description of terms of reference:

The terms of reference of the Audit Committee are in line with the provisions of Section 177 of the Companies Act, 2013 and Regulation 18 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Committee reviews financial reporting process, internal controls, audit process, statutory and internal audit reports, related party transactions, risk management framework, and other matters specified under applicable laws.

(b) Composition, Name of Members and Chairperson:

Name of the Member	Category	No. of Meetings held	No. of Meetings attended
Mr. A. Divakar	Chairman - Independent Director	4	4
Dr. T. Hanuman Chowdary	Member – Independent Director	4	2
Prof. Dr. Braja Bandhu Nayak	Member – Independent Director	4	4
Mr. T. Bapaiah Chowdary	Member – Non Executive Director	4	4
Mrs. V. Usha Rani	Member – Independent Director	4	2

Meeting Details:

During the financial year under review, the Audit Committee met four times on:

- May 27, 2024
- August 3, 2024
- November 7, 2024
- February 11, 2025

The gap between any two meetings was within the limit prescribed under the Companies Act, 2013 and the SEBI (LODR) Regulations, 2015.

Changes in Composition during FY 2024–25:

- Dr. T. Hanuman Chowdary ceased to be a Member of the Audit Committee on September 30, 2024 upon completion of his tenure as Independent Director.
- Mrs. V. Usha Rani was appointed as a Member of the Audit Committee with effect from October 1, 2024.

Additional Disclosures:

- All members of the Audit Committee are financially literate and have accounting and financial management expertise.
- The Chief Financial Officer is a permanent invitee to Audit Committee meetings.
- The Statutory Auditors and Internal Auditors, or their representatives, are permanent invitees to the meetings.
- Management personnel are invited as and when necessary to provide additional inputs on matters under discussion.
- The Company Secretary acts as the Secretary to the Audit Committee.
- The Chairman of the Audit Committee holds separate discussions with the Statutory and Internal Auditors without the presence of management to ensure independence of review.

Internal Audit:

- The Internal Audit function of the Company is carried out by M/s. Darapaneni & Co.
- They review internal controls relating to financial, operational, and compliance aspects on a periodic basis.
- Quarterly presentations on audit scope, findings, and corrective actions are made to the Audit Committee.
- To ensure independence, the Internal Auditors report directly to the Chairman of the Audit Committee.
- The Board, in its meeting held on May 27, 2024, re-appointed M/s. Darapaneni & Co. as Internal Auditors for the financial year 2024–25.

3 (A): DEBTORS REVIEW COMMITTEE (SUB-COMMITTEE OF AUDIT COMMITTEE):

Terms of Reference:

The Debtors Review Committee was constituted to evaluate, review, and report to the Audit Committee periodically on:

- The Credit Loss Allowance Reserve created for long-pending, overdue, and outstanding debtor amounts.
- Actions required to expedite recovery of such outstanding amounts.

Meetings:

During FY 2024–25, no meeting of the Debtors Review Committee was held.

Composition for FY 2024-25:

Name	Category	Position	No. of Meetings held	No. of Meetings attended
Mr. A. Divakar	Non-Executive & Independent Director	Chairman	Nil	NA
Prof. Dr. Braja Bandhu Nayak	Non-Executive & Independent Director	Member	Nil	NA
Mr. T. Gopichand	Chairman & Managing Director	Member	Nil	NA

4. NOMINATION AND REMUNERATION COMMITTEE

(a) Brief description of terms of reference:

The terms of reference are as per Section 178 of the Companies Act, 2013 and Regulation 19 of the SEBI (LODR) Regulations, 2015. The Committee is responsible for recommending appointment/re-appointment of Directors, evaluating performance, determining remuneration policy, and succession planning.

(b) Composition, name of members and chairperson and Attendance during FY 2024-25:

The NRC comprises two Independent Directors and one Non-Executive Director. During the year ended March 31, 2025, the Committee met two times — on August 3, 2024 and February 11, 2025. The requisite quorum was present at all meetings.

Name of Director	Category	Position in the Committee	No of Meetings held	No of Meetings attended
*Dr. T. Hanuman Chowdary	Independent Director	Chairman	2	1
*Dr. T.V. Lakshmi	Independent Director	Member	2	1
Mr. T. Bapaiah Chowdary	Non-Executive Director	Member	2	2
Prof. Dr. Braja Bandhu Nayak	Independent Director	Member	2	1
Mrs. V. Usha Rani	Independent Director	Chairperson	2	1

*Dr. T. Hanuman Chowdary and *Dr. T.V. Lakshmi ceased to be Members of the NRC w.e.f. 30/09/2024

Prof. Dr. Braja Bandhu Nayak and Mrs. V. Usha Rani appointed as a Member/Chairperson of NRC w.e.f. 01/10/2024

Remuneration Policy:

The Company's philosophy for remuneration of Directors, Key Managerial Personnel (KMP), and other employees is based on fostering a culture of leadership with trust. The Policy ensures that:

- The level and composition of remuneration is reasonable, sufficient, and capable of attracting, retaining, and motivating qualified Directors and employees.
- Remuneration is aligned to performance benchmarks, both short-term and long-term.
- There is an appropriate balance between fixed and incentive pay linked to individual and company performance.

(c) Performance evaluation criteria for Independent Directors:

The performance evaluation of Independent Directors was carried out based on criteria such as Understands the critical issues affecting the Company, Prompts discussion on strategic issues in meetings of Board and its committees, Attendance for the meetings, participation and independence during the meetings, Experience, Competency, Knowledge & Proficiency, Role and accountability of the board and Committees and governance matters. The evaluation was conducted through a structured process, and the outcome was reviewed by the Board.

5. STAKEHOLDERS' RELATIONSHIP COMMITTEE

Terms of Reference:

The Committee is responsible for:

- Resolving grievances of shareholders, debenture holders, and other security holders.
- Addressing complaints related to allotment, transfer/transmission of securities, and issue of duplicate or new certificates.
- Ensuring timely receipt of dividends, annual reports, and other shareholder communications.
- Reviewing measures to enhance voting rights exercise and adherence to service standards of the Registrar & Share Transfer Agent.
- Taking initiatives to reduce unclaimed dividends and improve delivery of statutory documents.
- Performing any other duties as prescribed under the Companies Act, SEBI Listing Regulations, or by the Board/regulatory authorities.

Composition and Meetings:

The SRC comprises two Independent Directors and one Non-Executive Director. During the year ended March 31, 2025, the Committee met once, on February 11, 2025. The requisite quorum was present.

During the year under review, the Committee was reconstituted upon the completion of the tenure of Dr. T.V. Lakshmi w.e.f. September 30, 2024, and Mr. Divakar Atluri was inducted w.e.f. October 1, 2024.

Name of Director	Category	Position in Committee	No. of Meetings Held	No. of Meetings Attended
Sri. T. Bapaiah Chowdary	Non-Executive Director	Chairman	1	1
*Dr. T.V. Lakshmi	Independent Director	Member	1	1
Prof. Dr. Braja Bandhu Nayak	Independent Director	Member	1	1
**Mr. Divakar Atluri	Independent Director	Member	1	1

* Dr. T.V. Lakshmi Ceased to be Member w.e.f. September 30, 2024.

** Mr. Divakar Atluri Appointed w.e.f. October 1, 2024.

Mr. Ch. Mallikarjuna is the Company Secretary & Compliance Officer of the Company.

Investor Complaints:

During the year under review, the Company received one complaint through SEBI SCORES regarding non-receipt of the Annual Report for FY 2023-24, which was resolved to the satisfaction of the shareholder.

Share Transfer Requests:

The Board has delegated the authority to approve share transfers to the SRC. Pursuant to Regulation 40(1) of the SEBI Listing Regulations, requests for transfer of securities are to be processed only in dematerialised form. Accordingly, no transfer requests in physical form were approved during the year.

6. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

Terms of Reference:

The CSR Committee's terms of reference, in line with Section 135 of the Companies Act, 2013, include:

1. Formulating and recommending the CSR Policy to the Board in accordance with Schedule VII of the Act.
2. Recommending the annual CSR budget.
3. Monitoring implementation of CSR activities and ensuring adherence to the CSR Policy.
4. Performing such other duties as may be prescribed by law or assigned by the Board.

The CSR Policy is available on the Company's website at www.terasoftware.com under the "Investors" section.

Composition and Meetings:

The Committee comprises two Independent Directors and one Executive Director. The Chairman is an Independent Director. During the year under review, the Committee was reconstituted upon the completion of the tenure of Dr. T. Hanuman Chowdary. One meeting was held on February 11, 2025, with the requisite quorum present.

Name of Director	Category	Position in Committee	No. of Meetings held	No. of Meetings attended
Dr. T. Hanuman Chowdary	Independent Director	Chairman (upto 30/09/2024)	1	1
Mr. A. Divakar	Independent Director	Member	1	1
Mr. T. Gopichand	Executive Director	Member	1	1
Prof. Dr. Braja Bandhu Nayak	Independent Director	Chairman(w.e.f. 01/10/2024)	1	1

Changes during the year:

- Dr. T. Hanuman Chowdary ceased to be a member with effect from September 30, 2024.
- Prof. Dr. Braja Bandhu Nayak was appointed as a member and Chairman with effect from October 1, 2024.

7. BORROWING COMMITTEE

Terms of Reference:

1. The terms of reference of the Borrowing Committee, drawn in line with the provisions of the Companies Act, 2013, are briefly as under:
2. To borrow funds up to a maximum limit of ₹25 Crores from lenders, at any time, in a single tranche not exceeding ₹5 Crores.

3. To enter into agreements with bodies corporate, companies (whether under the same management or not), banks, financial institutions, firms, and individuals on behalf of the Company.
4. To authorise any person(s) to do all such acts, deeds, and things as may be necessary for giving effect to the above.

Composition and Attendance during the year:

The Borrowing Committee comprised 2 (Two) Independent Directors and 1 (One) Executive Director as its members. The Chairman of the Committee was the Executive Director. During the year under review, no meetings of the Borrowing Committee were held.

Name of Director	Category	Position in the Committee	No of Meetings held	No of Meetings attended
Mr. T. Gopichand	Chairman & Managing Director	Chairman	Nil	NA
Mr. A. Divakar	Non-Executive & Independent Director	Member	Nil	NA
Prof. Dr. Braja Bandhu Nayak	Non-Executive & Independent Director	Member	Nil	NA

The Borrowing Committee was dissolved with effect from May 16, 2025

8. MANAGEMENT COMMITTEE

Terms of Reference:

Pursuant to Section 179 of the Companies Act, 2013, certain powers of the Board may, by resolution passed at a meeting, be delegated to a committee of directors, the managing director, the manager, or any other principal officer of the Company.

For ease of conducting business operations and facilitating transactions with banks, financial institutions, companies, and various departments of the Central Government, State Government, municipal corporations, and other statutory authorities on behalf of the Company, the Management Committee was constituted with effect from May 16, 2025.

Composition and Attendance during the year:

The Management Committee comprised 2 (Two) Executive Directors and 1 (One) Independent Director as its members. The Chairman of the Committee was the Executive Director. During the year under review, no meetings of the Management Committee were held as the Committee formed in the Month of May 2025.

Name of Director	Category	Position in the Committee	No of Meetings held	No of Meetings attended
Mr. T. Gopichand	Chairman & Managing Director	Chairman	Nil	NA
Mr. T. Madhu Mitra	Whole-Time Director	Member	Nil	NA
Mr. A. Divakar	Non-Executive & Independent Director	Member	Nil	NA

9. Key Managerial Personnel and Senior Management (Other than MD/ WTD):

- Mr. T. Rajasekhar has been appointed as a Vice-President (Applications) on February 11, 2025 in the category of Senior Management.
- Remuneration paid / payable includes fixed pay and fixed pay covers basic salary, and allowances as on March 31, 2025.

Amount Rupees in Lakhs

Name of KMP / Senior Management	Salary	Perquisites	Total
Ms. D. Pravallika, Chief Financial Officer	9.54	Nil	9.54
Mr. Ch. Mallikarjuna, Company Secretary & Compliance Officer	10.49	Nil	10.49
Mr. T. Rajasekhar, Vice-President	25.80	Nil	25.80

Note: Above amounts exclude gratuity.

10. REMUNERATION PAID / PAYABLE TO DIRECTORS FOR FY 2024-25

(i) Managing Director/Whole-Time Directors (Executive Directors/ KMP):

- Governed by provisions of the Companies Act, 2013, relevant rules, and approvals obtained from Members.
- Recommendations on remuneration are made by the NRC to the Board.

The details of remuneration paid/payable to the Executive Directors are as follows:

Amount Rupees in Lakhs

Name of Director	Salary per annum	Perquisites	Total
Sri. T. Gopichand, Chairman and Managing Director	108.00	Nil	108
Sri. T. Madhu Mitra, Whole-time Director	25.80	Nil	25.80

Note: Above amounts exclude gratuity.

(ii) Non-Executive / Independent Directors:

- Eligible for sitting fees and other permissible remuneration under the Companies Act, 2013.
- All remuneration (excluding sitting fees) is subject to statutory ceilings and approvals.
- Remuneration for professional services rendered is excluded from these ceilings, subject to qualification and NRC approval.

The details of remuneration paid/payable to the Independent Directors/Non-Executive Directors is as follows:

Amount in Lakhs

Name of Director	Sitting fees
Dr. T. Hanuman Chowdary (Independent Director)	0.94
Dr. T. V. Lakshmi (Independent Director)	0.54
Mr. A. Divakar (Independent Director)	1.84
Prof. Dr. Braja Bandhu Nayak (Independent Director)	1.98
Mr. T. Bapaiah Chowdary (Non-Executive Director)	1.98
Mrs. V. Usha Rani (Independent Director)	1.14
Total	8.42

11. MEETING OF INDEPENDENT DIRECTORS

A separate meeting of Independent Directors was held on February 11, 2025 without the presence of Executive Directors or management, to review performance, governance practices, and related matters as per Schedule IV of the Companies Act, 2013.

12. CODE OF CONDUCT

The Company has adopted a Code of Conduct for the Board Members and Senior Management. All Directors and Senior Management personnel have affirmed compliance for the financial year ended March 31, 2025. **A declaration signed by the Managing Director** is attached as **Annexure - H** to the Board's Report.

13. RISK MANAGEMENT

The Company has an integrated risk management framework covering business, operational, compliance, and financial risks. Periodic reviews are conducted, and mitigation measures are implemented.

14. GENERAL BODY MEETINGS

Details of the last three Annual General Meetings are as follows:

Year	Date	Time	Venue	Special Resolution passed
2024	Monday, September 09, 2024	04:00 p.m.	Plot No.1107, Road No.55, Jubilee Hills, Hyderabad, Telangana, India-500033	To appoint Smt. Vemuri Usha Rani (DIN: 03601565) as an Independent Director.
2023	Thursday, August 17, 2023,	11:00 a.m.	Jubilee Hills International Centre, Near Post Office, Road No.14, Jubilee Hills, Hyderabad-500033, Telangana, India	To appoint Mr. Tummala Madhu Mitra (DIN: 07124242), as a Director (Marketing) of the Company and fix his remuneration. To increase the remuneration of Mr. Tummala Gopichand (DIN: 00107886), Chairman and Managing Director of the Company.
2022	Saturday September 24, 2022	12:30 PM	Hotel Jubilee Ridge, Plot No.38 & 39, Kavuri Hills, 100ft Road, Madhapur, Jubilee Hills, Hyderabad-500033, Telangana, India	1. To appoint Dr. Braja Bandhu Nayak (DIN: 09702361) as an Independent Director.

15. MEANS OF COMMUNICATION

The Company's quarterly, half-yearly, and annual results are published in newspapers, which include the Financial Express (English daily) and local news paper Nava Telangana (Telugu Daily). Simultaneously, the aforesaid Results uploaded on the Company's website at www.terasoftware.com/investors. All material information is disseminated to stock exchanges and published as per SEBI norms.

16. GENERAL SHAREHOLDER INFORMATION

A. Annual General Meeting:

Day and Date	Time	Venue
Friday, September 26, 2025	04:00 p.m.	at the Registered Office: Plot No.1107, Road No.55, Jubilee Hills, Hyderabad-500033, Telangana, India

B. Financial Calendar:

The Company follows April to March as the financial year. Tentative calendar of Board meetings for consideration of financial results during the financial year ending 31 March, 2026 is as under:

Particulars	Period
Results for quarter ending June 30, 2025	On or before August 14, 2025
Results for quarter ending September 30, 2025	On or before November 14, 2025
Results for quarter ending December 31, 2025	On or before February 14, 2025
Results for the quarter and year ending March 31, 2025	On or before May 30, 2025

C. Dividend payment date:

Final Dividend

The Board of Directors ('Board') have recommended a dividend of Rs.1/- per equity share (10%) of face value of Rs.10/- for FY 2024-25, subject to approval of the members at the ensuing AGM.

Dividend on equity shares, if declared, at the AGM, will be credited/ dispatched on or about Saturday, October 25, 2025 to all eligible shareholders holding shares as of the end of the day on Friday, September 19, 2025 (record date).

The total dividend pay-out on account of final dividend is Rs.125.11 lakhs.

Payment of dividend

The SEBI Listing Regulations read with SEBI circular dated 20 April 2018, require companies to use any electronic mode of payment approved by the Reserve Bank of India ('RBI') for making payment to members. Accordingly, the said dividend will be paid through electronic mode, where the bank account details of the members are available. Where dividend payments are made through electronic mode, intimation regarding such remittance will be sent separately to the members.

In cases where the dividend cannot be paid through electronic mode, it will be paid by account payee/non-negotiable instruments/warrants with bank account details printed thereon. In case of non-availability of bank account details, address of the members will be printed on such payment instruments.

As per SEBI Circular dated 16 March 2023, as updated, read with SEBI circular dated 10 June 2024, it has been mandated that the security holders holding securities in physical form, whose folio(s) do not have PAN (Aadhar seeded) or Contact Details or Mobile Number or Bank Account Details or Specimen Signature updated, shall be eligible for any payment including dividend, interest or redemption in respect of such folios, only through electronic mode with effect from 1 April 2024 and shall be eligible to lodge grievance or avail any service request from the RTA only after furnishing PAN and KYC details.

In case of any of the aforesaid KYC has not been updated in respect of physical folios, dividend shall be paid only through electronic mode with effect from 1 April 2024, upon furnishing all the aforesaid details in entirety. After successful updation of the details, the security holder would receive all the dividends/interest etc., declared during that period (from 1 April 2024, till date of updation) automatically in respect of the folio/ securities. While, submission of 'Choice of Nomination' by the shareholders, holding shares in physical mode, has been made optional, shareholders are encouraged to submit their 'Choice of Nomination' to KFin to ensure seamless transmission of securities, in the event of death of claimant and to avoid hardships arising out of the procedural formalities involved in the transmission of securities.

For enabling payment of dividend through electronic mode, members holding shares in physical mode are requested to send Form ISR-1 along with requisite documents to KFin. The form can be downloaded from the website of the KFin at <https://ris.kfintech.com/clientservices/isc/isrforms.aspx>.

In case of members holding shares in demat mode, they are requested to update details with their respective depository participant.

Tax Deducted at Source ('TDS') on dividend

As per the provisions of the Income Tax Act, 1961 ('Act'), the final dividend, if declared and paid by the Company, will be taxable in the hands of the members. Accordingly, the Company would be required to deduct applicable TDS on dividend payment to members in accordance with provisions of the Act. For more details, members are requested to refer to the Notice of AGM.

D. Listing of Equity Shares on Stock Exchanges:

The shares of the Company are listed on the following stock exchanges:

Name of Stock Exchange	Address	Stock Code/Symbol
BSE Limited (BSE)	Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai-400001	533982
National Stock Exchange of India Limited (NSE)	Exchange Plaza, C-1, Block G, Bandra-kurla Complex, Bandra (East), Mumbai-400051	TERASOFT

E. Listing Fees to Stock Exchanges:

The Company has paid the Listing Fees for the year 2024-2025 to the above Stock Exchanges.

F. Custodial Fees to Depositories:

The Company has paid custodial fees for the year 2024-2025 to National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL).

G. The ISIN of the Company: INE482B01010.

H. Registrar and Share Transfer Agent ('RTA'):

In terms of Regulation 7 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the 'SEBI Listing Regulations') KFin Technologies Limited ('KFin') continues to be the Registrar and Share Transfer Agent to manage all relevant corporate registry services for the equity shares, debentures and commercial papers.

Review of service standards adhered by KFin with respect to share related activities:

The Company (Tera Software Limited) has agreed service timelines and standards for various shareholder related service with KFin. On an on-going basis, the secretarial team engages with officials of KFin at various levels for review of these standards and other share related activities. Periodic meetings and discussions are held for follow up on pending matters and review adherence to agreed timelines for processing service request and deviations, if any, in said timeliness. In addition, the activities at KFin are also reviewed by the Stakeholders' Relationship Committee and internal audit team.

KFin has also established a dedicated Investor Cell to assist the Senior Citizens in redressing their grievances, complaints and queries. Senior Citizens wishing to avail this service have been provided with a designated email id i.e., senior.citizen@kfintech.com.

I. Share transfer system:

All transmission, transposition, issuance of Letter of Confirmation ('LoC') to shareholders in lieu of duplicate share certificate(s), etc., as well as requests for dematerialisation/ rematerialisation are processed at KFin. The work related to dematerialisation/ rematerialisation is handled by KFin through connectivity with NSDL and Central Depository Services (India) Limited ('CDSL').

As per SEBI Circular dated 16 March 2023, as updated, has mandated listed entities to issue shares in dematerialised form only while processing any service requests.

Therefore, Members holding shares in physical form are advised to dematerialise their shareholding.

J. Distribution of shareholding as on March 31, 2025;

Category	No. of Cases	% of Cases	Amount	% of Amount
1-5000	14190	90.06	11517520.00	9.21
5001- 10000	680	4.32	5390910.00	4.31
10001- 20000	456	2.89	6535740.00	5.22
20001- 30000	149	0.95	3811930.00	3.05
30001- 40000	64	0.41	2267100.00	1.81
40001- 50000	54	0.34	2553680.00	2.04
50001- 100000	77	0.49	5580380.00	4.46
100001& Above	87	0.55	87461490.00	69.90
Total:	15757	100.00	125118750.00	100.00

K. Shareholding Pattern as on March 31, 2025:

Sl. No.	Category of Shareholder	No. Share holders	Total Shares	% of Total Shares
A.	Promoter & Promoter Group:			
	Individuals	8	5947327	47.53
B.	Public Shareholding:			
	Financial Institutions/Banks	1	100	0.00
	Bodies Corporate	77	389067	3.11
	Individual shareholders	15265	5477680	43.78
	Non-Resident Indians	174	180829	1.45
	HUF	231	431454	3.45
	Investor Education & Protection Fund (IEPF)	1	85418	0.68
	Total:	15757	12511875	100.00

L. Dematerialization of shares and liquidity;

Mode of Shares held as on March 31, 2025	No. of Shares held	Percentage to total shareholding
Dematerialized form in CDSL	35,05,234	28.01%
Dematerialized form in NSDL	89,61,968	71.63%
In Physical form	44,673	0.36%
Total No. of Shares	1,25,11,875	100%

Liquidity

The equity shares of the Company are listed on BSE Limited ('BSE') and National Stock Exchange of India Limited ('NSE') and are frequently traded. The equity shares of the Company were not suspended from trading during the year on account of corporate actions or otherwise.

M. Address for correspondence:
(i) Registered Office

Tera Software Limited
8-2-293/82/A/1107, Plot No. 1107
Road No.55, Jubilee Hills,
Hyderabad-500033, Telangana
Tel: +91-40-23547447
Email: info@terasoftware.in

(ii) Grievance redressal Contact persons:
a) Company Secretary & Compliance Officer

Ch. Mallikarjuna
8-2-293/82/A/1107, Plot No: 1107,
Road No: 55, Jubilee Hills, Hyderabad-33
Tel: +91-40-23547447,
Mobile: 9949604854
Email: companysecretary@terasoftware.com
Website: www.terasoftware.com

b) 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

17. CREDIT RATING

During the financial year, the credit facilities of the Company were reviewed by Infomerics Valuation and Rating Pvt. Ltd. ("IVR"). The credit ratings assigned to the Company vide its letter dated January 8, 2025 are as follows:

- Long-Term Rating: IVR BBB-/ Stable (IVR Triple B Minus with Stable Outlook)
- Short-Term Rating: IVR BBB-/ Stable (IVR Triple B Minus with Stable Outlook)

These ratings reflect the Company's strong financial discipline, improving business fundamentals, and prudent risk management practices.

18. OTHER DISCLOSURES

(a) Disclosures on materially significant related party transactions that may have potential conflict with the interests of listed entity at large:

The Company has not entered into any material transaction with its Directors, Management, or their relatives that could have a potential conflict with the interests of the Company. Related Party Transactions are disclosed in the Notes to Accounts of the Annual Report. In compliance with SEBI (LODR) Regulations, 2015, the Board has adopted a Policy on Related Party Transactions, which is available on the Company's website at www.terasoftware.com.

(b) Details of non-compliance by the listed entity, penalties, strictures imposed on the listed entity by stock exchange(s) or the board or any statutory authority, on any matter related to capital markets, during the last three years:

During the last three years, no penalties, strictures, or adverse actions have been imposed on the Company by SEBI, the Stock Exchanges, or any other statutory authorities on any matter relating to capital markets or otherwise.

(c) Details of establishment of vigil mechanism/whistle blower policy, and affirmation that no personnel has been denied access to the audit committee:

The Company has established a Vigil Mechanism/Whistle Blower Policy in accordance with the provisions of the Companies Act, 2013 and SEBI (LODR) Regulations, 2015, to provide a secure and confidential channel for reporting genuine concerns. The mechanism ensures adequate safeguards against victimisation of employees and directors who express such concerns. It also provides direct access to the Chairperson of the Audit Committee. The Company affirms that no personnel has been denied access to the Audit Committee under the said mechanism.

(d) Details of compliance with mandatory requirements and adoption of the non-mandatory requirements:

The Company has complied with all mandatory requirements of Corporate Governance as prescribed under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. In addition, the Company has also adopted certain non-mandatory requirements, as considered appropriate, with the objective of enhancing the standards of Corporate Governance.

(e) Web link where policy for determining 'material' subsidiaries is disclosed:

The policy on determining 'Material Subsidiaries' is available on the Company's website at <https://terasoftware.com/investors/information-under-regulation-46-2-of-sebi-lodr-regulations-2015>.

(f) Web link where policy on dealing with related party transactions:

The policy on determining 'Related Party Transactions' is available on the Company's website at <https://terasoftware.com/related-party-transactions-policy>.

(g) A certificate from a company secretary in practice that none of the directors on the board of the company have been debarred or disqualified:

A certificate has been received from a Company Secretary in Practice confirming that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such statutory authority. The said certificate forms part of the Board's Report.

(h) Total fees for all services paid by the listed entity and its subsidiaries, on a consolidated basis, to the statutory auditor and all entities in the network firm/network entity of which the statutory auditor is a part:

The total consolidated fees paid / payable by the Company and its subsidiaries to the Statutory Auditor and its network entities for all services, including audit, review, certification, taxation, other permitted services, and related reimbursements, during the financial year amounted to Rs.13.25 lakhs.

(i) Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:

The Company affirms that it provides a safe and harassment-free workplace. No complaints were filed, disposed of, or pending under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 during the financial year.

(j) Loans and Advances in the Nature of Loans to Firms/Companies in which Directors are Interested:

During the financial year under review, neither the Company nor its subsidiaries have granted any loans or advances in the nature of loans to firms/companies in which any of the Directors of the Company are interested. Accordingly, the disclosure of name(s) and amount(s) is not applicable.

(k) Details of material subsidiaries of the listed entity:

The Company does not have any material subsidiary as per the definition under SEBI (LODR) Regulations, 2015. The Company, however, has one subsidiary which is not classified as a material subsidiary.

19. NON-COMPLIANCE OF ANY REQUIREMENT OF CORPORATE GOVERNANCE REPORT OF SUB-PARAS (2) TO (10) ABOVE, WITH REASONS THEREOF:

The Company has complied with all the requirements of Corporate Governance report specified in sub-paras (2) to (10) of Schedule V(C) of SEBI (LODR) Regulations, 2015, and no instances of non-compliance were reported during the financial year.

20. COMPLIANCE WITH MANDATORY REQUIREMENTS OF CORPORATE GOVERNANCE:

During the year under review, the Company has complied with all the mandatory requirements specified in Regulations 17 to 27 and clause (b) to (i) of Regulation 46(2) of SEBI Listing Regulations, as applicable.

A certificate from M/s RPR & Associates, Practicing Company Secretaries, confirming compliance with the conditions of Corporate Governance as stipulated in Part E of Schedule V of the SEBI (LODR) Regulations, 2015, forms part of this Annual Report.

For and on behalf of the Board

Place: Hyderabad
 Date : 12th August, 2025

T. Madhu Mitra
 Whole-Time Director
 DIN: 07124242

Tummala Gopichand
 Chairman and Managing Director
 DIN: 00107886

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

(For the Financial Year 2024-25)

1. Industry Structure and Developments

The Indian IT and e-Governance sector continues to play a pivotal role in driving the digital transformation of government services. With flagship initiatives like Digital India, BharatNet, Smart Cities Mission, Aadhaar, and land record digitization projects, the demand for large-scale IT-enabled services (ITES) and digital infrastructure has significantly grown.

Government focus on transparency, efficiency, and citizen-centric governance has accelerated projects in public distribution systems, revenue and taxation automation, fiber connectivity, smart metering, and digital record management.

In this environment, Tera Software Limited (TSL) has positioned itself as a specialized and dedicated e-Governance solutions provider, with strong execution capabilities across multiple states of India.

2. Business Overview

During FY 2024-25, TSL strengthened its presence across e-Governance, Smart Cities, FiberNet, and Energy Distribution automation projects. Key projects executed or under execution include:

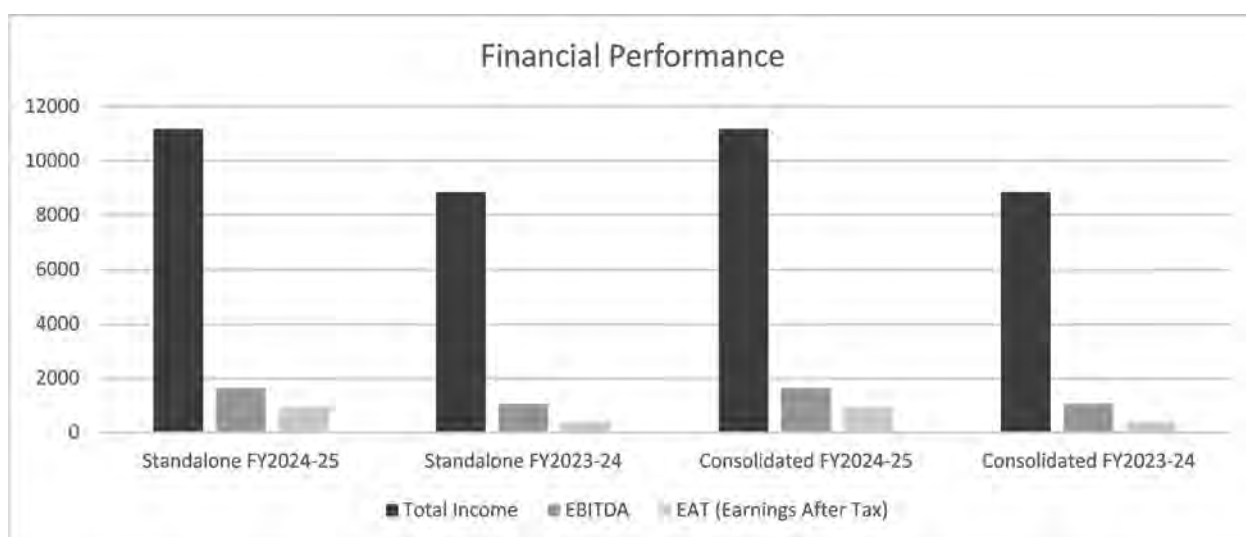
- **BharatNet Projects** – Successful completion of Odisha BharatNet Phase-II and award of BSNL BharatNet Phase-III Middlemile Network projects worth Rs. 7005.55 Crores (TSL Share Rs. 3502.78 Crores).
- **Smart Cities** – Implementation of Davangere Smart City ICT Project with Command & Control Centres and integrated ICT infrastructure.
- **Spot Billing Projects** – Completed major billing projects with PUVNL, DVVNL and secured fresh orders from PUVNL, DVVNL, MVVNL totaling Rs. 273.11 Crores for 2025-27.
- **Digitization & Modern Record Rooms** – Successful completion of Jharkhand Revenue Department projects and ongoing e-Mahabhoomi Project in Maharashtra.

With operations in over 22 Indian states, TSL continues to be a leading Indian e-Governance solutions provider.

3. Financial Performance

(Rs. in Lakhs)

PARTICULARS	Standalone		Consolidated	
	Financial Year 2024-25	Financial Year 2023-24	Financial Year 2024-25	Financial Year 2023-24
Total Income	11170.49	8841.13	11170.49	8841.13
EBITDA	1634.97	1053.53	1634.38	1053.03
Less: Interest	379.18	285.86	379.18	285.86
EBTDA	1255.79	767.67	1255.20	767.17
Less: Depreciation	13.59	14.98	13.59	14.98
EBT	1242.20	752.69	1241.61	752.19
Less: Exceptional Items	(4.26)	139.47	(4.26)	139.47
Less: Tax Expenses	295.86	221.27	295.86	221.27
EAT (Earnings After Tax)	942.08	391.95	941.49	391.45
Profit/Loss carried to B/S	995.89	462.26	995.30	461.76
EPS (Basic & Diluted)	7.53	3.13	7.52	3.13



- Achieved a growth of 27% in operation performance.
- Earnings After Tax (EAT) and Earnings Per Share (EPS) recorded a significant increase of 140%.

Highlights:

- Total Income grew by 27% from Rs. 8,448.25 Lakhs in FY 2023–24 to Rs. 10,764.38 Lakhs in FY 2024–25.
- Profit After Tax increased by ~140%, reflecting improved operational efficiency and execution.
- EPS more than doubled from Rs. 3.13 to Rs. 7.53.

4. Opportunities and Threats

Opportunities:

- Rising demand for digitization of government records, smart metering, and fiber connectivity.
- Strong pipeline in Digital India and Smart City initiatives.
- Expanding presence across new states and sectors (healthcare, utilities, and financial services).

Threats / Risks:

- High dependence on government projects and long receivable cycles.
- Increasing competition from large IT players and global firms.
- Regulatory and policy delays impacting project execution timelines.

5. Outlook

TSL remains confident of sustaining growth in the coming years, driven by:

- Execution of large-scale BharatNet Phase-III projects.
- Expansion of spot billing and IT infrastructure management solutions.
- Entry into smart metering and smart city expansion projects.

The company expects steady revenue growth with improved margins through operational excellence and digital transformation initiatives.

6. Risks and Concerns

- Receivables and cash flow management remain a challenge in government projects.
- Technology disruptions require continuous upgrades.
- Dependency on public sector spending exposes the company to budgetary constraints.
- The Company has put in place a strong risk management framework to mitigate these risks.

7. Internal Control Systems and Their Adequacy

TSL has established robust internal control systems aligned with its operations. Regular internal audits, statutory audits, and management reviews ensure compliance, transparency, and efficiency. The Audit Committee of the Board periodically monitors the adequacy and effectiveness of these controls.

8. Human Resources Development

TSL recognizes human capital as a key driver of success. The Company continues to:

- Invest in skill development and training.
- Encourage a culture of teamwork, innovation, and accountability.
- Retain talent through career development and employee engagement initiatives.

As on March 31, 2025, the Company has a dedicated team of professionals across technical, project management, and support functions.

9. Cautionary Statement

Statements in this Management Discussion and Analysis describing the Company's objectives, expectations, or projections may be "forward-looking statements" within the meaning of applicable laws and regulations. Actual results may differ materially from those expressed or implied, depending on economic conditions, government policies, and other incidental factors.

10. Key Financial Ratios and Analysis

As required under Regulation 34(3) read with Schedule V(B) of SEBI (LODR) Regulations, 2015, the details of significant changes in key financial ratios (i.e., 25% or more compared to the previous year) are given below:

Ratios for the years ended March 31, 2025 and March 31, 2024 are as follows:

	Particulars	Numerator	Denominator	31.03.2025	31.03.2024	Variance
a)	Current Ratio	Current assets	Current liabilities	2.01	1.95	2.94%
b)	Debt-Equity ratio	Total Debt	Shareholders equity	0.16	0.30	-45.29%
c)	Return on equity ratio	Net Profit after taxes	Equity	0.08	0.03	120.81%
d)	Inventory turnover ratio	Turnover	Closing Inventory	-	1,789.88	-100.00%
e)	Trade receivable turnover ratio	Turnover	Closing receivables	0.75	0.65	16.74%
f)	Net profit ratio	Net profit after tax	Net Sales	0.09	0.05	88.64%
g)	Interest coverage ratio	EBITDA	Interest expense	3.99	4.17	-4.21%
h)	Operating profit margin ratio	Operating profit	Net Sales	0.09	0.07	38.64%

Debt-Equity ratio

This variance in current year is due to the repayment of long-term borrowing i.e. payments made to directors and short-term loans i.e. clearing of cash credit

Return on equity ratio

This variance is a result of increased profit, mainly due to rise in revenue from operations and a notable reduction in expenditure during the year.

Inventory turnover ratio

This variance is attributable to the total decline in the value of closing stock in the current year compared to the previous year

Net profit ratio

This variance is a result of increased profit, mainly due to rise in revenue from operations and a notable reduction in expenditure during the year.

Operating profit margin ratio

This variance is a result of increased profit, mainly due to rise in revenue from operations and a notable reduction in expenditure during the year.

Annexure - II
**Report on Corporate Social Responsibility as per Rule 8 of Companies
(Corporate Social Responsibility Policy) Rules, 2014**
For the Financial Year 2024-25
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. In line 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 CSR activities as of 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:

Sl. 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	Prof. Dr. Braja Bandhu Nayak	Chairman & Member (Non-Executive & Independent Director)	1	1
2	Mr. Divakar Atluri	Member (Non-Executive & Independent Director)	1	1
3	Mr. T. Gopichand	Member (Chairman & Managing Director)	1	1

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/investors
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: 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 be set-off for the financial year, if any (in Rs.)
NIL			

6. Average net profit of the company as per section 135(5): **Loss of Rs. (6,40,15,698)**

Particulars	For the Financial year ended 31st March		
	2024	2023	2022
Net Profit in Rs.	7,52,68,400	(13,10,53,342)	(82,30,756)
Average Net profit for the preceeding three financial years in Rs.	(6,40,15,698)		

7. (a) Two percent of average net profit of the company as per section 135(5): **NIL**
- (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 for the financial year, if any: **NIL**
- (d) Total CSR obligation for the financial year (7a+7b-7c): **NIL**

8. (a) CSR amount spent or unspent for the financial year 2024-25:

Total Amount Spent for the Financial Year (in Rs.)	Amount Unspent (in Rs.)				
	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
Nil	Nil	NA	NA	NA	NA

(b) Details of CSR amount spent in the FY 2024-25 against ongoing project for the financial year 2023-24:

(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 Rs.)	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
Nil										

(c) Details of CSR amount spent against other than ongoing projects for the financial year 2024-25:

(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
NIL								

(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): Nil

(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 Rs.)	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	
Nil							

(b) Details of CSR amount spent in the financial year 2024-25 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 Rs.)	Amount spent on the project in the reporting Financial Year (in Rs.)	Cumulative amount spent at the end of reporting Financial Year (Rs.)	Status of the project - Completed /Ongoing
Nil								

- 10.** In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year (asset-wise details):
1. Date of creation or acquisition of the capital asset(s): **Not Applicable**
 2. Amount of CSR spent for creation or acquisition of capital asset: **Not Applicable**
 3. Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.: **Not Applicable**
 4. 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) – **There is Nil requirement to spend in the FY 2024-25 towards CSR activities due to the preceding three years average net profit is in loss.**
- 12.** As per the audited financial statements, the average net profit of the preceding three financial years amounts to Rs. 1,80,20,629/-. Accordingly, the CSR budget, being 2% of the average net profits, is Rs. 3,60,413/-, which is required to be spent for FY 2024-25 by the end of FY 2025-26.

For and on behalf of the Board

Place: Hyderabad
Date : 12th August, 2025

Doddi Pravallika
Chief Financial Officer

Tummala Gopichand
Chairman and Managing Director
DIN: 00107886

Form No. MR-3**SECRETARIAL AUDIT REPORT****For the financial year ended on 31.03.2025**

[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, 2025 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, 2025 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

C V Reddy K
 Company Secretary in Practice
 M No: F7976
 CP No: 8998
 COP Unique Code: I2010AP725500
 UDIN: F007976G000317868
 Peer Review Certificate No: 681/2020
 Firm Unique Code: S2010AN130900

Date: 12.05.2025
 Place: Hyderabad

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’ of Secretarial Audit Report

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 are 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

C V Reddy K
Company Secretary in Practice
M No: F7976
CP No: 8998
COP Unique Code: I2010AP725500
UDIN: F007976G000317868
Peer Review Certificate No: 681/2020
Firm Unique Code: S2010AN130900

Date: 12.05.2025
Place: Hyderabad

To
The Members,
Tera Software Limited
8-2-293/82/A/1107, Road No-55
Jubilee Hills, Hyderabad – 500033, TG

**ANNUAL SECRETARIAL COMPLIANCE REPORT
OF TERA SOFTWARE LIMITED FOR THE YEAR ENDED 31ST MARCH, 2025**

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

We, CV 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, 2025("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 to the Company during the Audit period)
- c. Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations,2011;
- d. Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; (Not Applicable to the Company during the Audit period)
- e. Securities and Exchange Board of India (Share Based Employee Benefits) Regulations,2014;(Not Applicable to the Company during the Audit period)
- f. Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations,2008;(Not Applicable to the Company during the Audit period)
- g. Securities and Exchange Board of India (Issue and Listing of Non-Convertible and Redeemable Preference Shares) Regulations,2013; (Not Applicable to the Company during the Audit period)
- 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, we hereby report that, during the review period, the compliance status of the listed entity is appended as below:

Compliances related to resignation of statutory auditors from listed entities and their material subsidiaries as per SEBI Circular CIR/CFD/CMDI/114/2019 dated 18th October, 2019:

Sr. No.	Particulars	Compliance Status (Yes/No/NA)	Observations/ Remarks by PCS
A.	<p>(i) If the auditor resigns within 45 days from the end of a quarter of a financial year, then the auditor shall, before such resignation, issue the limited review/ audit report for such quarter.</p> <p>(ii) If the auditor resigns after 45 days from the end of a quarter of a financial year, then the auditor shall, before such resignation, issue the limited review/ audit report for such quarter as well as the next quarter.</p> <p>(iii) Notwithstanding the above, if the auditor has signed the limited review/audit report for the first three quarters of a financial year, then the auditor shall, before such resignation, issue the limited review/ audit report for the last quarter of such financial year as well as the audit report for such financial year.</p>	<p>NA</p> <p>NA</p> <p>NA</p>	<p>Compliances related to resignation of statutory auditor for issuance of Limited Review/ Audit Report was not required as the Auditor has not resigned during the financial year under review</p>
B.	<p>Other conditions relating to resignation shall include:</p> <p>(i) Reporting of concerns with respect to the listed entity/ its material subsidiary to the Audit Committee:</p> <p>a. In case of any concern with the management of the listed entity/ material subsidiary such as non-availability of information / non-cooperation by the management which may hamper the audit process, the auditor shall approach the Chairman of the Audit Committee of the listed entity and the Audit Committee shall receive such concern directly and immediately without specifically waiting for the quarterly Audit Committee meetings.</p> <p>b. In case the auditor proposes to resign, all concerns with respect to the proposed resignation, along with relevant documents shall be brought to the notice of the Audit Committee. In cases where the proposed resignation is due to non-receipt of information/ explanation from the company, the auditor shall inform the Audit Committee of the details of information / explanation sought and not provided by the management, as applicable.</p> <p>c. On receipt of such information from the auditor relating to the proposal to resign as mentioned above, the Audit Committee / board of directors, as the case may be, shall deliberate on the matter and communicate its views to the management and the auditor</p>	<p>NA</p> <p>NA</p> <p>NA</p>	<p>i)(a), (b)&(c)</p> <p>Compliances related to resignation of statutory auditor for reporting of concerns by Auditor was not required as the Auditor has not resigned during the financial year under review</p>
	<p>(ii) Disclaimer in case of non -receipt of information:</p> <p>In case the listed entity/its material subsidiary does not provide information required by the auditor, to that extent, the auditor shall provide an appropriate disclaimer in the audit report, which may be in accordance with the Standards of Auditing as specified by ICAI/NFRA</p>	<p>NA</p>	<p>Compliances related to resignation of statutory auditor for providing disclaimer in Audit Report by Auditor was not required as the Auditor has not resigned during the financial year under review</p>
C.	<p>Obligations of the listed entity and its material subsidiary:</p> <p>(i) Format of information to be obtained from the statutory auditor upon resignation:</p> <p>Upon resignation, the listed entity / its material subsidiary shall obtain information from the Auditor in the format as specified in Annexure A of SEBI Circular CIR/CFD/CMDI/114/2019 dated 18th October, 2019. The listed entity shall ensure disclosure of the same under Sub-clause (7A) of Clause A in Part A of Schedule III under Regulation 30(2) of SEBI LODR Regulations.</p>	<p>NA</p>	<p>Compliances related to resignation of statutory auditor for obtaining information from Auditor by the listed entity was not required as the Auditor has not resigned during the financial year under review</p>

- (a) The listed entity has complied with the provisions of the above Regulations and circulars/ guidelines issued thereunder, except in respect of matters specified below: -

Sr No	Compliance Requirement (Regulations/ circulars/guidelines including Specific clause)	Regulation/ Circular No.	Deviations	Action Taken by	Type of Action	Details of Violation	Fine Amount	Observations/Remarks of the Practicing Company Secretary	Management Response	Remarks
Nil										

- (b) The listed entity has taken the following actions to comply with the observations made in previous reports:

Sr. No.	Compliance Requirement (Regulations/ circulars/ guidelines including specific clause)	Regulation / Circular No.	Deviations	Action Taken by	Type of Action	Details of Violation	Fine Amount	Observations/Remarks of the Practicing Company Secretary	Management Response	Remarks
Nil										

The additional affirmations by Practicing Company Secretary (PCS) in Annual Secretarial Compliance Report (ASCR) in terms of the BSE Circular No.20230410-41 dated: April 10, 2023 and NSE Circular No.NSE/CML/ 2023/21 are given in the attached Annexure.

For C V Reddy K & Associates
Company Secretaries

C V Reddy K
Company Secretary in Practice
M No: F7976
CP No: 8998
COP Unique Code: I2010AP725500
UDIN: F007976G000317692
Peer Review Certificate No: 681/2020
Firm Unique Code: S2010AN130900

Date: 12.05.2025
Place: Hyderabad

Annexure

Sr. No.	Particulars	Compliance Status (Yes/No/NA)	Observations/ Remarks by PCS
1.	Secretarial Standards: The compliances of the listed entity are in accordance with the applicable Secretarial Standards (SS) issued by the Institute of Company Secretaries India (ICSI)	Yes	--
2.	Adoption and timely updation of the Policies: <ul style="list-style-type: none"> All applicable policies under SEBI Regulations are adopted with the approval of board of directors of the listed entities. All the policies are in conformity with SEBI Regulations and has been reviewed & timely updated as per the regulations/circulars/guidelines issued by SEBI 	Yes Yes	-- --
3.	Maintenance and disclosures on Website: <ul style="list-style-type: none"> The Listed entity is maintaining a functional website Timely dissemination of the documents/ information under a separate section on the website Web-links provided in annual corporate governance reports under Regulation 27(2) are accurate and specific which re-directs to the relevant document(s)/ section of the website. 	Yes Yes Yes	-- -- --
4.	Disqualification of Director: None of the Director of the Company are disqualified under Section 164 of Companies Act, 2013	Yes	--
5.	To examine details related to Subsidiaries of listed entities: (a) Identification of material subsidiary companies (b) Requirements with respect to disclosure of material as well as other subsidiaries	No material subsidiary company Yes	The Company is having one subsidiary
6.	Preservation of Documents: The listed entity is preserving and maintaining records as prescribed under SEBI Regulations and disposal of records as per Policy of Preservation of Documents and Archival policy prescribed under SEBI LODR Regulations, 2015	Yes	--
7.	Performance Evaluation: The listed entity has conducted performance evaluation of the Board, Independent Directors and the Committees at the start of every financial year as prescribed in SEBI Regulations	Yes	--
8.	Related Party Transactions: (a) The listed entity has obtained prior approval of Audit Committee for all Related party transactions. (b) In case no prior approval obtained, the listed entity shall provide detailed reasons along with confirmation whether the transactions were subsequently approved/ratified/rejected by the Audit committee	Yes NA	-- --
9.	Disclosure of events or information: The listed entity has provided all the required disclosure(s) under Regulation 30 along with Schedule III of SEBI LODR Regulations, 2015 within the time limits prescribed thereunder	Yes	--
10.	Prohibition of Insider Trading: The listed entity is in compliance with Regulation 3(5) & 3(6) SEBI (Prohibition of Insider Trading) Regulations, 2015	Yes	--
11.	Actions taken by SEBI or Stock Exchange(s), if any: No Actions taken against the listed entity/ its promoters/ directors/subsidiaries either by SEBI or by Stock Exchanges (including under the Standard Operating Procedures issued by SEBI through various circulars) under SEBI Regulations and circulars/ guidelines issued thereunder	Yes	--
12.	Additional Non-compliances, if any: No any additional non-compliance observed for all SEBI regulation/circular/guidance note etc	Yes	--

For C V Reddy K & Associates
 Company Secretaries

C V Reddy K
 Company Secretary in Practice
 M No: F7976
 CP No: 8998
 COP Unique Code: I2010AP725500
 UDIN: F007976G000317692
 Peer Review Certificate No: 681/2020
 Firm Unique Code: S2010AN130900

Date: 12.05.2025
 Place: Hyderabad

Statement under Section 197 (12) of the Companies Act, 2013 and Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

- (i) **The ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year 2024-25:**

Name of the Director	Designation	Remuneration as on March 31, 2025	Ratio to Median Remuneration of the employees
Sri. T. Gopichand	Chairman and Managing Director	108 Lakhs	80.13
Sri. T. Madhu Mitra	Whole-time Director	25.80 Lakhs	19.14

- (ii) **The percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year 2024-25:**

Name of the Director/KMP	Designation	Remuneration as on March 31, 2025	Percentage increase in remuneration
Sri. T. Gopichand	Chairman and Managing Director	108 Lakhs	Nil
Sri. T. Madhu Mitra	Whole-time Director	25.80 Lakhs	43.33
Sri. Ch. Mallikarjuna	Company Secretary	10.49 Lakhs	8.00
Ms. D. Pravallika	Chief Financial Officer	9.54 Lakhs	30.00

- (iii) **The percentage increase in the median remuneration of employees in the financial year 2024-25:**

The median remuneration of employees of the Company as on March 31, 2025 is Rs. 1,34,784/-. In the financial year, there was an increase of 3.79% in the median remuneration of employees.

- (iv) **The number of permanent employees on the rolls of company as on March 31, 2025:**

There were 866 permanent employees on the rolls of Company as on March 31, 2025.

- (v) **Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:**

The Average Annual increase was around 8.04%. The average increase in managerial remuneration was 43.33%.

Justification: Increase in remuneration is decided based on the individual performance, inflation, prevailing industry trends and benchmarks during the year under review.

- (vi) **Affirmation that the remuneration is as per the remuneration policy of the company:**

It is hereby affirmed that the remuneration paid is as per the remuneration policy for Directors, Key Managerial Personnel and other employees.

Explanation: For the purposes of this rule.- (i) the expression “median” means the numerical value separating the higher half of a population from the lower half and the median of a finite list of numbers may be found by arranging all the observations from lowest value to highest value and picking the middle one;

- (vii) **if there is an even number of observations, the median shall be the average of the two middle values.**

For and on behalf of the Board

Place: Hyderabad
Date : 12th August, 2025

T. Madhu Mitra
Whole-Time Director
DIN: 07124242

Tummala Gopichand
Chairman and Managing Director
DIN: 00107886

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 arm's 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 2024-25.

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

S. No.	Name(s) of the related party and nature of relationship	Nature of contracts/ arrangements/ transactions	Duration of the contracts/ arrangements/ transactions	Salient terms of the contracts or arrangements or transactions including the value, if any:	Date(s) of approval by the Board, if any:	Amount paid as advances, if any:
1.	Mr. T. Gopichand Chairman & Managing Director	a) Remuneration paid b) Unsecured Loans c) Interest on Unsecured Loans	NA	In the normal course of business	27-05-2024	Nil
2.	Mrs. T. Pavana Devi, Director	a) Unsecured Loans c) Interest on Unsecured Loans	NA	In the normal course of business	27-05-2024	Nil
3.	Mr. T. Bapaiah Chowdary, Director and Proprietor of M/s. Raja Enterprises	Sitting Fees	NA	In the normal course of business	27-05-2024	Nil
4.	Mr. T. Madhu Mitra, Whole-Time Director	Remuneration	NA	In the normal course of business	27-05-2024	Nil
5.	Mrs. T. Vindhya, W/o Mr. T. Madhu Mitra	Remuneration	NA	In the normal course of business	27-05-2024	Nil
6.	Mr. T. Girish (Son of Mr. T. Bapaiah Chowdary)	Remuneration	NA	In the normal course of business	27-05-2024	Nil
7.	Mr. T. Rajasekhar, VP (Appointed on 11/02/2025)	Remuneration	NA	In the normal course of business	11-02-2025	Nil
8.	Ms. D. Pravallika, CFO	Remuneration	NA	In the normal course of business	27-05-2024	Nil
9.	Mr. Ch. Mallikarjuna, Company Secretary	Remuneration	NA	In the normal course of business	27-05-2024	Nil

For and on behalf of the Board

Place: Hyderabad
Date : 12th August, 2025

T. Madhu Mitra
Whole-Time Director
DIN: 07124242

Tummala Gopichand
Chairman and Managing Director
DIN: 00107886

**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 March 31, 2025.

For Tera Software Limited

Tummala Gopichand
Chairman & Managing Director
DIN: 00107886

Place: Hyderabad
Date: August 12, 2025

Annexure I

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

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

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

We have examined the relevant registers, records, forms, returns and disclosures received from 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 March 31, 2025 and Registrar of Companies records.

In our opinion and to the best of my information and according to the examinations carried out by us (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) and considered the explanations and representation furnished to us by the Company, we hereby 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 Securities and Exchange Board of India (SEBI)/Ministry of Corporate Affairs (MCA) or any such statutory authority as on March 31, 2025:

S.No.	DIN	Name of the Director	Designation
1	00107886	Sri. Tummala Gopichand	Chairman & Managing Director
2	07124242	Sri. Tummala Madhu Mitra	Whole-time Director
3	00033386	Sri. Divakar Atluri	Independent Director
4	09702361	Prof. Dr. Braja Bandhu Nayak	Independent Director
5	03601565	Smt. V. Usha Rani	Independent Director
6	00107795	Sri. Tummala Bapaiah Chowdary	Non-Executive Director

Ensuring the eligibility for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For RPR & ASSOCIATES
Company Secretaries

Y. Ravi Prasada Reddy
Company Secretary In Practice
M. No: 5783
CP No: 5360
UDIN: F005783G000982110

Place: Hyderabad
Date: August 12, 2025

INDEPENDENT AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

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

1. We have examined the compliances of the conditions of Corporate Governance by TERA SOFTWARE LIMITED ("the Company") for the financial year ended March 31, 2025, as prescribed in Regulations 17 to 27, clauses (b) to (i) of sub-regulation (2) of regulation 46 and paras C, D and E of Schedule V of SEBI (Listing Obligations and Disclosures Requirements) Regulations 2015 ('Listing Regulations').
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.
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.
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 under review.
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 RPR & ASSOCIATES
Company Secretaries

Y. Ravi Prasada Reddy
Company Secretary In Practice
M. No: 5783
CP No: 5360
UDIN: F005783G000982033

Place: Hyderabad
Date: August 12, 2025

COMPLIANCE CERTIFICATE**BY CHIEF EXECUTIVE OFFICER (CEO) & CHIEF FINANCIAL OFFICER (CFO)**

(Pursuant to Regulation 17(8) of SEBI (LODR) Regulation, 2015 read with Part B of Schedule II)

We, Tummala Gopichand, Chairman & Managing Director and Doddi Pravallika, Chief Financial Officer of the Company Certify that:

- a) We have reviewed the financial statements and cash flow statement for the year ended 31st March, 2025 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, 2025 which 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 and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and steps have been taken or propose to take to rectify these deficiencies.
- d) We have indicated to the auditors and the Audit Committee
 - i) There has not been any significant changes in internal control over financial reporting during the year under reference;
 - ii) There has not been any significant changes in accounting policies during the year requiring disclosure in the notes to the financial statements; and
 - iii) We are not aware of any instances 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.

Place: Hyderabad
Date: 01/05/2025

D. Pravallika
Chief Financial Officer

T. Gopichand
Chairman & Managing Director

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, 2025, 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 "standalone 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 gives the information required by the Companies Act, 2013 (the "Act") in the manner so required and gives 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 group as at March 31, 2025 and its profit, total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing ("SA" s) specified under section 143 (10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the standalone Financial Statement 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 there under, 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 for 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>Recognition and Measurement of Expected Credit Loss:</p> <p>The estimation of expected credit losses (ECL) on trade receivables was identified as a key audit matter due to its material impact on the company's financial position and performance. The significance of this area arises from the inherent judgement required in forecasting future credit losses, which involves complex assumptions and estimation uncertainty.</p>	<p>Our audit procedure in respect of this area included:</p> <p>Risk Assessment: We assessed the risk of material misstatement in the recognition and measurement of Expected credit Loss, considering the inherent complexities in the industry's revenue recognition and the potential impact of economic factors on customers' ability to pay.</p> <p>Evaluation of Internal Controls: We evaluated the design and implementation of internal controls over the estimation of Expected Credit Loss by testing the reasonableness of key assumptions and ensuring the accuracy and completeness of underlying data such as historical loss rates, economic indicators, and customer specific rates including the company's policies and procedures for assessing credit risk, monitoring customer payments, and determining appropriate provisions for doubtful accounts.</p> <p>Testing of Bad Debt Provision (i.e., Expected Credit Loss): We performed substantive testing procedures to validate the completeness and accuracy of the Expected Credit losses. These procedures include the following:</p> <ul style="list-style-type: none"> • Reviewing the ageing of accounts receivable, analyzing historical collection patterns. • Examining supporting documents including invoices, contracts, and communications with the customers along with legitimacy of such records. • Assessing the customer's creditworthiness by considering factors such as payment history, Financial Stability & credit ratings. • The reasonableness of assumptions and effective discount rate used in the estimation process. <p>We also performed Sensitivity analysis to evaluate the impact of different scenarios to the allowance for expected credit losses</p>

		Management Representations: We obtained written representations from management regarding the completeness and accuracy of data and assumptions used in the ECL estimation. Based on the procedures performed, we found the assumptions used by management to be reasonable, and the measurement of the expected credit loss provision to be supported by sufficient and appropriate audit evidence.
2	Provisions and Contingent Liabilities and Evaluation of uncertain tax positions: 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.	We have obtained details of key claims against the company, completed tax assessments, and demands and tax/duty positions. We reviewed status of disputes and representation taken from the management, discussed with appropriate senior management and evaluated the management's underlying key assumptions. 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.

Information Other than the Financial Statements and Auditor's Report Thereon

The Company's Board of Directors are responsible for the preparation of 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 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 thereon.

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 inconsistent with the Standalone financial statements or with 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 and Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless Board of Directors 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 Companies Act, 2013, 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 and Board of Directors.
- Conclude on the appropriateness of managements and Board of Directors 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. Standalone 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 them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because head verse 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 the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the Annexure "A", a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report 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 and returns.
 - D. In our opinion, the aforesaid standalone financial statements comply with the IndAS Specified under Section 133 of the Act read with rule 7 of the Companies (Accounts) Rules, 2014;
 - E. There are no adverse observations or comments of the auditors on financial transactions or matters which have any adverse effect on the functioning of the company.
 - F. On the basis of the written representations received from the directors as on March 31, 2025 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2025 from being appointed as a director in terms of Section 164(2) of the Act.
 - G. With respect to the adequacy of the internal financial controls with reference to the financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B." Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls with reference to the financial statements.

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:

- a. The Company has disclosed the impact of pending litigations on its financial position in its Standalone financial statements as at 31st March 2025.
- b. The Group has not made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.
- c. There were no amounts required to be transferred to the Investor Education and Protection Fund by the Company.
- d. The management has represented that, to the best of its knowledge and belief, that
 - i. 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;
 - ii. No funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity(ies), including foreign entities ("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;
 - iii. Based on audit procedures carried out by us, that we have considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us believe that the representations under sub-clause (i) and (ii) contain any material misstatement.
- e. In our opinion and according to the information and explanations given to us, the company has not declared any dividend during the year.
- f. The reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 is applicable from 1 April 2023;

The Company, in respect of financial year commencing on or after the 1st April, 2024, has used Tally Prime Accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has been operated throughout the year for all transactions recorded in the software and the audit trail feature has not been tampered with and the audit trail has been preserved by the company as per the statutory requirements for record retention.

3. 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 respect of whether the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act

For Narven Associates
 Chartered Accountants
 FRN : 0005905S

CA. G.V. RAMANA
 Partner
 Membership No: 025995
 UDIN: 25025995BMIJSS6487

Place : Hyderabad
 Date: 16.05.2025

ANNEXURE 'A' TO THE INDEPENDENT AUDITOR'S REPORT ISSUED TO THE MEMBERS OF TERA SOFTWARE LIMITED OF EVEN DATE

(Referred to 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

To the best of our information and according to the explanations provided to us by the Company and the books of 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)
 - (i) 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.
 - (ii) 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 to cover all items of Property, Plant and Equipment in a phased manner over a period of three years, which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain property, plant and equipment were physically verified by the management during the year. 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 favor 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) Based on our examination of the records of the Company, the Company has not revalued any of its Property, Plant and Equipment (including right-of-use assets) or intangible assets or both during the year.
 - (e) Based on our examination of the records of the company, there are no proceedings initiated during the year or are pending against the Company as at March 31, 2025 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made there under.
- ii.
 - (a) The company does not have inventory. Hence clause (ii) (a) does not applicable.
 - (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. Based on our examination of the records of the company, during the year, the company has made investments in a private limited company. However, the company has not provided any guarantees or securities, nor granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships, or any other parties. Accordingly, the requirements stated in sub-clauses (b) to (f) of clause 3(iii) of the Order are not applicable.
- iv. Based on our examination of the records of the company, according to the information and explanations given to us, the company has complied with the provisions of section 186 of the Companies Act, 2013 with respect to the investments made during the year. The provisions of section 185 of the Companies Act, 2013 are not applicable to the company.
- v. Based on our examination of the records of the company, the Company has not accepted any deposits or amounts which are deemed to be deposits from the public during the year in terms of directives issued by the Reserve Bank of India or the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the rules framed there under. Accordingly, paragraph 3(v) of the Order is not applicable to the Company.
- vi. The Central Government has not prescribed the maintenance of cost records under sub-section (1) of section 148 of the Act for any of the activities of the company and accordingly paragraph 3 (vi) of the order is not applicable.
- 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, 2025 for a period of more than six months from the date they became payable.

S.No.	Nature of Dues	Amount	Period to which the amount relates
1	GST Due	6.32 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
17	GST	Interest & Penalty	99,40,109	September 2019 to March 2020	Appellate Deputy Commissioner, Andhra Pradesh
18	Transitional Credit	Interest & Penalty	1,41,67,242	September 2019 to March 2020	Joint/Additional Commissioner of central Tax (Appeals), Andhra Pradesh
19	GST	GST & Interest	2,58,90,000	April - 2020 to March-2021	Writ Petition filed at AP High court
20	GST	GST & Interest & Penalty	20,58,23,935	July - 2019 to Aug-2019	Writ Petition filed at AP High court
21	GST	GST & Interest & Penalty	2,21,41,396	FY 2017-2018	Writ Petition filed at Jharkhand High court
22	GST	GST & Interest & Penalty	1,26,81,348	FY 2018-2019	Writ Petition filed at Jharkhand High court
23	GST	GST & Interest & Penalty	4,55,30,092	FY 2019-2020	Writ Petition filed at Jharkhand High court
24	GST	GST & Interest & Penalty	4,70,19,652	FY 2020-2021	Writ Petition filed at Jharkhand High court
25	GST	GST & Interest & Penalty	5,02,19,112	FY 2021-2022	Writ Petition filed at Jharkhand High court
26	GST	GST & Interest & Penalty	8,14,29,850	FY 2022-2023	Writ Petition filed at Jharkhand High court
27	GST	GST & Penalty	53,04,084	FY 2019 -20	Appeal Filed at Odisha
28	GST	GST & Penalty	32,33,500	FY 2019 -20	Appeal Filed at West Bengal
29	GST	GST & Penalty	33,42,387	FY 2020 -21	Appeal needs to be filed

- viii. Based on our examination of the records of the company, there were no transactions that were not recorded in the books of account but were surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961. Accordingly, the question of recording any previously unrecorded income in the books of account does not arise.
- ix. (a) Based on our examination of the records of the company, the Company has not defaulted in repayment of loans or other borrowings to financial institutions, banks, government, and dues to debenture holders or in the payment of interest thereon to any lender.
- (b) Based on our examination of the records of the company, the Company has not been declared wilful defaulter by any bank or financial institution or other lender.
- (c) The Company has not obtained any term loans during the year. Accordingly, clause 3(ix)(c) of the Order is not applicable.
- (d) Based on our examination of the records of the company, we report that no funds raised on short term basis have been utilized for long term purposes.
- (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 any moneys by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, clause 3(x)(a) of the Order is not applicable.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment / private placement of shares or fully or partly or optionally convertible debentures during the year. Accordingly, clause 3(x)(b) of the Order is not applicable.
- xi. (a) Based on our examination of the records of the company, we report that no fraud by the Company or on the Company has been noticed or reported during the year.
- (b) No report under sub-section (12) of section 143 of the Act has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (c) As represented to us by the management, there are no whistle blower complaints received by the Company during the year.
- xii. The Company is not a Nidhi Company. Accordingly, the provisions stated in paragraph 3(xii) of the Order is not applicable.
- xiii. Based on our examination of the records of the Company, the transactions with the related parties are in compliance with Sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- xiv. (a) In our opinion the Company has an adequate Internal audit system commensurate with the size and the nature of its business.
- (b) We have considered, the internal audit reports 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 and according to the information and explanations given to us, the Company has not entered into non-cash transactions with directors or persons connected with them. Hence provisions of section 192 of the Act, 2013 are not applicable to the Company.
- xvi. (a) In our opinion and according to the information and explanations given to us, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934. Accordingly, clause 3(xvi)(a) of the Order is not applicable.
- (b) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(b) of the Order is not applicable.
- (c) In our opinion and according to the information and explanations given to us, the Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, paragraph 3 (xvi) (c) of the Order is not applicable.
- (d) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, paragraph 3 (xvi) (d) of the Order is not applicable.

- xvii. The Company has not incurred cash losses in the financial year and in the immediately Preceding financial year.
- xviii. There has been no resignation of statutory auditors during the year, Accordingly, Paragraph 3(xviii) of the order is not applicable.
- 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. (a) In our opinion and according to the information and explanations given to us, provisions of section 135 relating to Corporate Social Responsibility are not applicable to the company.

For Narven Associates
Chartered Accountants
FRN : 0005905S

CA. G.V. RAMANA
Partner
Membership No: 025995
UDIN: 25025995BMIJSS6487

Place : Hyderabad
Date: 16.05.2025

ANNEXURE “B” TO THE INDEPENDENT AUDITOR’S REPORT of on the standalone IND AS Financial Statements of M/s TERA SOFTWARE LIMITED for the year ended 31st March,2025.

(Referred to in paragraph 2(f) under ‘Report on other legal and regulatory requirements’ section of our report to the Members of Tera Software Limited of even date)

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, 2025 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at 31 March 2025, based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the “Guidance Note”).

Management’s Responsibility for Internal Financial Controls

The Company’s management and Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal controls with reference to financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor’s Responsibility

Our responsibility is to express an opinion on the Company’s internal financial controls with reference to the standalone Financial Statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing (“SA”), prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to the standalone Financial Statements. Those SAs and the Guidance Note require that we comply with the ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to the standalone Financial Statements were established and maintained and whether 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 with reference to the Standalone Financial Statements and their operating effectiveness. Our audit of internal financial controls with reference to the Standalone Financial Statements included obtaining an understanding of internal financial controls with reference to the Standalone Financial Statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the Standalone 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 control with reference to financial statements.

Meaning of Internal Financial Controls Over Financial Reporting

A Company's internal financial control with reference to 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 (i) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (ii) 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 (iii) 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 be come 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, 2025, 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.

Place : Hyderabad
Date: 16.05.2025

For Narven Associates

Chartered Accountants
FRN : 0005905S

CA. G.V. RAMANA

Partner
Membership No: 025995
UDIN: 25025995BMJSS6487

STANDALONE BALANCE SHEET AS AT 31-03-2025

(Rs. In Lakhs)

Particulars	Note	For the Year Ended	
		As at 31-03-2025 Audited	As at 31-03-2024 Audited
I. ASSETS			
1. Non-current assets			
(i) Property, Plant & Equipment	1	2,653.45	2,659.55
(ii) Financial Assets			
(a) Investment	2	0.74	0.74
(b) Other Financial Assets	2	236.14	270.30
(iii) Other non current assets	3	543.32	492.44
(iv) Deferred tax Asset (net)	4	199.93	213.14
Total non-current assets		3,633.58	3,636.17
2. Current assets			
(i) Inventories	5	-	4.72
(ii) Financial Assets			
(a) Trade receivables	6	13,611.74	12,420.20
(b) Cash and Cash Equivalents	7	1,038.56	2,027.57
(c) Other financial assets	8	1,137.50	1,812.12
(iii) Other current assets	9	1,909.07	769.18
Total current assets		17,696.87	17,033.79
TOTAL		21,330.45	20,669.96
II EQUITY AND LIABILITIES			
A Equity			
(a) Equity Share Capital	10	1,251.19	1,251.19
(b) Other Equity	11	10,993.81	9,997.91
Total Equity		12,245.00	11,249.10
B Liabilities			
1. Non-current liabilities			
(i) Financial liabilities			
(a) Lease Liabilities		-	-
(b) Borrowings	12	132.24	538.29
(ii) Provisions	13	142.40	152.44
Total non-current liabilities		274.64	690.73
2. Current liabilities			
(i) Financial liabilities			
(a) Lease Liabilities			
(b) Borrowings	14	1,860.44	2,807.58
(c) Trade payables	15		
Total Outstanding dues to Micro enterprises and small enterprises		-	-
Total Outstanding dues to creditors other than Micro enterprises and small enterprises		5,129.10	4,166.21
(d) Other financial liabilities	16	721.23	749.84
(ii) Other current liabilities	17	782.37	787.95
(iii) Provisions	18	317.66	218.55
Total current liabilities		8,810.80	8,730.13
TOTAL		21,330.45	20,669.96

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

As per our report of even date attached

For Narven Associates
 Chartered Accountants
 FRN: 005905S

T. Madhu Mitra
 Whole Time Director
 DIN: 07124242

T. Gopichand
 Chairman & Managing Director
 DIN: 00107886

CA. G V Ramana
 Partner
 M.No: 025995

D. Pravallika
 Chief Financial Officer

Ch. Mallikarjuna
 Company Secretary
 M.No. A47545

 Place: Hyderabad
 Date: 16-05-2025

STANDALONE STATEMENT OF PROFIT AND LOSS FOR THE PERIOD/YEAR ENDED

(Rs. In Lakhs)

	Particulars	Note	For the Year Ended	
			31-03-2025 Audited	31-03-2024 Audited
	Income			
I	Revenue from operations	19	10,764.38	8,448.25
II	Other income	20	406.11	392.88
III	Total Income (I+II)		11,170.49	8,841.13
IV	Expenses			
	Purchases	21	-	-
	Change in inventories	22	4.72	7.56
	Technical & Operation expenses	23	7,424.21	5,568.69
	Employee benefit expenses	24	1,840.15	1,856.68
	Finance costs	25	379.18	285.86
	Depreciation and amortization expenses	1	13.59	14.98
	Other expenses	26	266.44	354.67
	Total Expenses (IV)		9,928.29	8,088.44
V	Profit /(Loss) before Exceptional items and tax (III-IV)		1,242.20	752.69
VI	Exceptional items		-	-
	Less:		39.26	139.47
	Add:		35.00	-
VII	Profit/(Loss) before tax (V-VI)		1,237.94	613.22
VIII	Tax expense			
	1) Current tax		307.30	205.72
	2) Earlier years Taxes		(6.56)	(31.76)
	3) Deferred tax (Net)		(4.88)	47.32
IX	Profit/(Loss) for the period from continuing operations (VII-VIII)		942.08	391.95
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)		942.08	391.95
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		71.91	93.96
	(ii) Income tax relating to items that will be reclassified to profit or loss		(18.10)	(23.65)
XV	Total Comprehensive income for the period (XIII+XIV) (Comprising Profit /(Loss) and Other Comprehensive income for the period		995.89	462.26
XVI	Earnings per equity share Rs10/- (for continuing operations)			
	1) Basic		7.53	3.13
	2) Diluted		7.53	3.13

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

As per our report of even date attached

For Narven Associates

 Chartered Accountants
 FRN: 005905S

CA. G V Ramana

 Partner
 M.No: 025995

 Place: Hyderabad
 Date: 16-05-2025

T. Madhu Mitra

 Whole Time Director
 DIN: 07124242

D. Pravallika
 Chief Financial Officer

T. Gopichand

 Chairman & Managing Director
 DIN: 00107886

Ch. Mallikarjuna

 Company Secretary
 M.No. A47545

STANDALONE CASH FLOW STATEMENT FOR THE YEAR ENDED 31-03-2025 and 31-03-2024 (Rs. In Lakhs)

Particulars	Year Ended 31-03-2025	Year Ended 31-03-2024
A. Cash flow from operating activities		
Net Profit / (Loss) before tax as per Profit & Loss Statement	1,237.94	613.22
Adjustments for:		
Depreciation and amortisation	13.59	14.98
Sundry Credit Balances Written Back	-	-
Interest Income	(70.23)	(65.47)
Bad Debts Written Off	(38.79)	57.08
Finance Cost	379.18	285.86
Advances Written off	4.50	-
SLA Deductions	-	7.87
CSR Expenditure	(5.33)	
Exchange Fluctuations	2.77	4.89
Exceptional Credit Loss	2.55	49.99
Changes in Assets and Liabilities:		
Trade receivables	(1,149.28)	264.75
Other Financial Assets and Other Assets	36.23	(25.47)
Other Non Current Assets	(50.88)	12.36
Other Financial Assets	674.63	(1,152.86)
Other Current Assets	(1,322.84)	21.86
Inventories	4.72	7.56
Trade Payables	878.23	(425.44)
Long Term Provisions	10.26	79.45
Other Current Liabilities	(5.57)	(116.97)
Short Term Provisions	(2.47)	0.46
Other Financial Liabilities	97.62	(71.16)
Cash generated from operations	696.82	(437.04)
Income tax paid	16.20	(153.57)
Net cash flow from operating activities (A)	680.62	(283.47)
B. Cash flow from investing activities		
Property, Plant & Equipment	(7.50)	-
Sale of Land	-	-
Interest Income	70.23	65.47
Net cash flow from Investing activities (B)	62.73	65.47
C. Cash flow from financing activities		
Short Term Borrowings(Net)	(947.14)	876.07
Long Term Borrowings	(406.05)	54.55
Interest Paid	(379.18)	(285.86)
Net cash flow from Financing activities (C)	(1,732.37)	644.76
Net increase in Cash and cash equivalents (A+B+C)	(989.02)	426.76
Opening balance of Cash and cash equivalents	2,027.57	1,600.81
Closing balance of Cash and cash equivalents	1,038.56	2,027.57
Components of Cash and Cash Equivalents		
Cash and cheques on Hand	9.48	9.47
Balances with Banks		
- On Current Accounts	3.20	1,512.43
- On Deposit Accounts	1,025.88	505.67
Cash and cash Equivalent as per Note 7	1,038.56	2,027.57

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

As per our report of even date attached

For Narven Associates

Chartered Accountants
FRN: 005905S

CA. G V Ramana

Partner
M.No: 025995

Place: Hyderabad
Date: 16-05-2025

T. Madhu Mitra

Whole Time Director
DIN: 07124242

D. Pravallika

Chief Financial Officer

T. Gopichand

Chairman & Managing Director
DIN: 00107886

Ch. Mallikarjuna

Company Secretary
M.No. A47545

STANDALONE NOTES FORMING PART OF THE IND AS FINANCIAL STATEMENTS

1. PROPERTY, PLANT AND EQUIPMENT

(Rs. In Lakhs)

	Gross block as at 01/04/2024	Additions	Deletions	Gross block as at 31/03/2025	Accumulated Depreciation as at 01/04/2024	Depreciation for the Year/ Period	Total Depreciation upto 31/03/2025	Net Block As 31/03/2025	Net Block As 31/03/2024
TANGIBLE									
Land	2,229.66	-	-	2,229.66	-	-	-	2,229.66	2,229.66
Buildings	558.09	-	-	558.09	139.55	9.30	148.85	409.24	418.55
Plant & Equipment	329.88	2.78	-	332.66	329.88	0.14	330.02	2.64	-
Furniture & Fixtures	123.64	-	-	123.64	120.90	0.93	121.84	1.82	2.74
Vehicles	99.79	-	-	99.79	95.39	1.34	96.72	3.07	4.40
Office Equipment	25.98	4.71	-	30.69	25.49	0.72	26.21	4.48	0.49
Electrical & Fixtures	105.91	-	-	105.91	102.20	1.16	103.36	2.54	3.70
Capital Expenditure on Projects Div	1,083	-	-	1,082.88	1,082.88	-	1,082.88	-	-
Total	4,555.84	7.50	-	4,563.33	1,896.30	13.59	1,909.89	2,653.45	2,659.55

STANDALONE NOTES FORMING PART OF THE IND AS FINANCIAL STATEMENTS

(Rs. in Lakhs)

Particulars	As at 31-03-2025 Audited	As at 31-03-2024 Audited
FINANCIAL ASSETS		
2 OTHER FINANCIAL ASSETS		
Investment		
TS Innovations Pvt.Ltd	0.74	0.74
Security and other Deposits	236.14	270.30
Total	236.88	271.04
3 OTHER NON CURRENT ASSETS		
(Unsecured, Considered good)		
Bank deposits maturity of morethan 12 months	114.93	64.05
BG Claim Under Protest	428.39	428.39
Total	543.32	492.44
4 Deferred tax Asset (net)		
On account of Fixed Assets	(7.78)	3.25
On account of Income tax disallowances	207.71	209.89
Total	199.93	213.14
5 INVENTORIES		
(a) Finished Goods	-	4.72
(b) Consumables	-	-
(c) Work-in-progress	-	-
Total	-	4.72
6 Trade receivables		
a) Considered Good - Secured	-	-
b) Considered Good - Unsecured	14,257.97	13,063.89
c) Trade Receivables which have significant increase in credit risk	-	-
d) Trade Receivables credit Impaired	-	-
Less: Credit Loss Allowance	(646.23)	(643.69)
Total	13,611.74	12,420.20
7 Cash and Cash Equivalents		
(i) Cash on hand	9.48	9.48
(ii) Balances with Banks		
In current accounts	3.20	1,512.43
In Dividend account	-	-
In Marging Money Deposits	1,025.88	505.67
Total	1,038.56	2,027.58
8 Other financial assets		
Accrued Interest	45.65	18.36
Unbilled Receivables	1,091.85	1,793.76
Total	1,137.50	1,812.12
9 OTHER CURRENT ASSETS		
(Unsecured and considered good)		
(a) Advance to Suppliers / Service Providers	411.17	386.34
(b) Staff Advances	3.15	4.66
(c) Advance for Expenses	2.30	1.73
(d) Prepaid expense	987.56	46.32
(e) Balances with government authorities	503.28	326.60
(f) Rent Receivable	1.61	3.53
Total	1,909.07	769.18

STANDALONE NOTES FORMING PART OF THE IND AS FINANCIAL STATEMENTS

(Rs. in Lakhs)

Particulars	Year Ended			
	As at 31-03-2025		As at 31-03-2024	
	Audited		Audited	
	Number of shares	Amount	Number of shares	Amount
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 31-03-2025		As at 31-03-2024	
	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 Raja Sekhar	28.25	22.58%	28.25	22.58%

10.2 Reconciliation of number of shares

Name of the Shareholder	As at 31-03-2025		As at 31-03-2024	
	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

- ¹ 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.

STANDALONE NOTES FORMING PART OF THE IND AS FINANCIAL STATEMENTS

(Rs. in Lakhs)

Particulars	For the Year Ended	
	As at 31-03-2025	As at 31-03-2024
	Audited	Audited
11 OTHER EQUITY		
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	5,312.16	4,849.90
CSR Expenditure	-	-
IND AS Impact	-	-
Add: Profit for the year / period	942.08	391.95
Figures as at the end of Reporting period	6,254.24	5,241.85
Other Comprehensive Income / Loss Net of Tax at the end of the previous reporting year		
Other Comprehensive Income / Loss Net of Tax	53.81	70.31
Less : Proposed dividend	-	-
: Tax on Proposed dividend	-	-
: Transfer to General Reserves	-	-
	53.81	70.31
Total of Reserves and Surplus	10,993.81	9,997.91

NATURE OF RESERVES

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

STANDALONE NOTES FORMING PART OF THE IND AS FINANCIAL STATEMENTS

(Rs. in Lakhs)

Particulars	For the Year Ended	
	As at	As at
	31-03-2025	31-03-2024
	Audited	Audited
12 Long term borrowings		
Term loans		
From Banks	-	-
From Directors	132.24	538.29
Total	132.24	538.29
13 Long term provisions		
Provision for employee benefits:		
Gratuity	142.40	152.44
Total	142.40	152.44
14 Short term borrowings		
- Secured		
(a) Loans repayable on demand from banks	-	-
(b) Cash credit	1,860.44	2,807.58
(c) Short Term Working Capital Loans from Banks	-	-
(d) Short Term Loan from Others 1 & 2	-	-
Total	1,860.44	2,807.58
15 Trade Payables		
- Total Outstanding dues to Micro enterprises and small enterprises	-	-
- Total Outstanding dues to creditors other than Micro enterprises and small enterprises	5,129.10	4,166.21
Total	5,129.10	4,166.21
16 Other financial liabilities		
Retention money	138.75	105.68
Unpaid Dividend	-	-
Other Payables	582.48	644.16
Advance for Sale of Asset	-	-
Total	721.23	749.84
17 Other current liabilities		
Advance from customers / Mobilisation advances	-	-
Statutory dues	756.00	762.05
Other payables	26.37	25.90
Total	782.37	787.95
18 Short-term provisions		
Provision for employee benefits:		
Gratuity	10.36	12.83
Provision for Income Tax	307.30	205.72
Provision- others:		
- Provision for SLA's	-	-
Total	317.66	218.55

STANDALONE NOTES FORMING PART OF THE IND AS FINANCIAL STATEMENTS

(Rs. in Lakhs)

Particulars	For the Year Ended	
	As at	As at
	31-03-2025	31-03-2024
	Audited	Audited
19 REVENUE FROM OPERATIONS		
Sale of Services	10,725.59	8,448.25
Operating Revenue	38.79	-
Total	10,764.38	8,448.25
20 OTHER INCOME		
Interest income	70.23	65.47
Rental Income	335.88	327.41
OTHER INCOME		
Profit on Sales Asset	-	-
Total	406.11	392.88
21 PURCHASES		
Purchase	-	-
Total	-	-
22 CHANGES IN INVENTORIES		
INVENTORIES AT THE BEGEMNING OF THE YEAR		
Opening Stock		
Traded Goods	4.72	(101.20)
Consumables	-	113.48
Total (A)	4.72	12.28
INVENTORIES AT THE END OF THE YEAR		
Closing Stock		
Traded Goods	-	4.72
Consumables	-	-
Total (B)	-	4.72
(Increase) / Decrease in Stocks (A) - (B)	4.72	7.56
23 TECHNICAL & OPERATION EXPENSES		
Power and Fuel	21.96	25.45
Software Maintenance Charges	45.65	39.72
Rent Charges	13.42	10.67
Consumables	0.44	0.23
Insurance	7.86	7.47
Repairs & Maintenance & AMC Charges	168.47	93.19
Transport Charges	0.81	1.66
Exchange Fluctuation	2.77	4.89
Subcontract & Other Work Charges	7,162.83	5,385.41
Total	7,424.21	5,568.69
24 EMPLOYEE BENEFIT EXPENSE		
Salaries, Wages and other benefits	1,671.78	1,688.98
Contribution to Provident Fund & other Funds	164.98	165.11
Staff Welfare Expense	3.39	2.59
Total	1,840.15	1,856.68

STANDALONE NOTES FORMING PART OF THE IND AS FINANCIAL STATEMENTS

(Rs. in Lakhs)

Particulars	For the Year Ended	
	As at 31-03-2025	As at 31-03-2024
	Audited	Audited
25 FINANCE COST		
Interest	262.77	198.23
Other borrowing cost	116.41	87.63
Total	379.18	285.86
26 OTHER EXPENSES		
Rates and Taxes	34.31	42.01
Office Maintenance	7.85	6.32
Communication Expense	2.58	2.60
Conveyance Expense	16.42	22.33
Travelling, Boarding & Lodging Expense	29.89	12.07
Printing and Stationery	1.68	0.95
Professional & Consultancy Expense	120.15	59.23
Directors' sitting fee	8.42	10.11
Discounts & Disallowances	-	-
Exchange Fluctuations-OTHERS	-	-
Advertisement Expense	1.59	1.49
Advances Written Off	4.50	-
Bad Debts Written off	-	57.08
Business Promotion	1.80	2.84
Bank Charges and Others	4.39	12.76
CSR Expenses	(5.33)	-
Interest on late payment on GST / Service Tax	0.69	32.18
Expected Credit Loss	2.55	49.99
General Expenses	20.29	26.11
SLA Deductions	-	-
Miscellaneous Expense	1.66	3.10
Payment to Auditors		
Statutory Audit fee	9.00	9.00
Tax Audit Fee	3.00	3.00
Other Services	1.00	1.50
Total	266.44	354.67

Note 26A - Additional Requirements

Particulars	Explanations
Title deeds of immovable Property not held in name of the Company	All the Immovable properties are held in the name of the Company
Where the Company has revalued its Property, Plant and Equipment, the company shall disclose as to whether the revaluation is based on the valuation by a registered valuer as defined under rule 2 of the Companies (Registered Valuers and Valuation) Rules, 2017	The Company bot revalued PPE during the year
Where Loans or Advances in the nature of loans are granted to promoters, directors, KMPs and the related parties (as defined under Companies Act, 2013,) either severally or jointly with any other person	No such loans granted
Capital Work In Progress (CWIP)	There is no capital work in progress for the period under consideration.
Intangible assets under development:	No such assets
Details of Benami Property held	No such properties
Where the Company has borrowings from banks or financial institutions on the basis of security of current assets, it shall disclose the following:- (a) whether returns or statements of current assets filed by the Company with banks or financial institutions are in agreement with the books of accounts. (b) if not, summary of reconciliation and reasons of material discrepancies, if any to be adequately disclosed.	The company has borrowings from banks in the form of Cash Credit (CC) on the basis of Security of current Assets. returns or statements of current assets filed by the Company with banks are in agreement with the books of accounts.
Wilful Defaulter	The Company is not a wilful defaulter
Relationship with Struck off Companies	No transactions with struckoff companies
Where any charges or satisfaction yet to be registered with Registrar of Companies beyond the statutory period, details and reasons thereof shall be disclosed.	Registration of charges duly compiled by the company
Compliance with number of layers of companies	Company complied with number of layers of companies
Where the Company has traded or invested in Crypto currency or Virtual Currency during the financial year	Company not invested in crypto currency or virtual currency during the financial year

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, 2025 and year ended March 31, 2024 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 use on the date of the Balance Sheet are disclosed as "capital work-in-progress".

Depreciation is recognized using Written Down Value 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 quarter 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 capitalized /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 recognized 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 recognized 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 recognized for all taxable temporary differences. Deferred tax assets are generally recognized 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 recognized 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 31st March 2025

Rupees in Lakhs

Particulars	Land	Buildings	Plant & Equipment	Furniture & Fixtures	Vehicles	Office Equipment	Electrical & Fixtures	Capital Assets on Projects Division
Gross carrying value as at April 1, 2024	2,229.66	558.09	329.88	123.64	99.79	25.98	105.91	1,082.88
additions	-	-	2.78	-	-	4.71	-	-
Deletions	-	-	-	-	-	-	-	-
Gross carrying value as at March 31, 2025	2,229.66	558.09	332.66	123.64	99.79	30.69	105.91	1,082.88
Accumulated depreciation as at April 1, 2024	-	139.55	329.88	120.90	95.39	25.49	102.20	1,082.88
Depreciation	-	9.30	0.14	0.93	1.34	0.72	1.16	-
Accumulated depreciation on deletions	-	-	-	-	-	-	-	-
Accumulated depreciation as at March 31, 2025	-	148.85	330.02	121.84	96.72	26.21	103.36	1082.88
Carrying value as at April 1, 2024	2,229.66	418.54	-	2.74	4.40	0.49	3.70	-
Carrying value as at March 31, 2025	2229.66	409.24	2.64	1.82	3.07	4.48	2.54	-

Property, plant and equipment consist of the following for the year ended 31st March 2024

Particulars	Land	Buildings	Plant & Equipment	Furniture & Fixtures	Vehicles	Office Equipment	Electrical & Fixtures	Capital Assets on Projects Division
Gross carrying value as at April 1, 2023	2,229.66	558.09	329.88	123.64	99.79	25.98	105.91	1,082.88
additions	-	-	-	-	-	-	-	-
Deletions *	-	-	-	-	-	-	-	-
Gross carrying value as at March 31, 2024	2,229.66	558.09	329.88	123.64	99.79	25.98	105.91	1,082.88
Accumulated depreciation as at April 1, 2023	-	129.30	329.88	119.96	94.05	24.98	100.93	1,082.88
Depreciation	-	10.25	-	0.94	1.34	0.51	1.68	-
Accumulated depreciation on deletions	-	-	-	-	-	-	-	-
Accumulated depreciation as at March 31, 2024	-	139.55	329.88	120.90	95.39	25.49	102.20	1,082.88
Carrying value as at April 1, 2023	2,229.66	428.79	-	3.68	5.74	0.62	5.38	-
Carrying value as at March 31, 2024	2,229.66	418.54	-	2.74	4.40	0.49	3.70	-

t) Provisions, contingent liabilities and contingent assets

Provisions are recognized 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 recognized 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, unrealized 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 equities 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 recognized 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.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS
27. Contingent Liabilities and Commitments not provided for

Rs. In Lakhs

Particulars	As at March 31, 2025	As at March 31, 2024
(A) Contingent Liability		
(a) Matters under litigation		
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**, dt. 31-03-2022	428.38	428.38
Service Tax / GST		
Disputed Service Tax Liability for which the company has filed an appeal with CESTAT-Hyderabad, dt. 19-12-2016	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 on March 2018.	166.27	166.27
Disputed VAT liability for which the company has filed an appeal with AP VAT Appellate Tribunal-Visakhapatnam, dt. 05-12-2022.	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, dt. 05-12-2022.	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, dt. 05-12-2022.	6.97	6.97
Orders issued by GST Department: Disputed GST Liability including interest for which Company has filed an appeal with Appellate Deputy Commissioner, Tirupathi, dt. 07-09-2021.	555.67	555.67
Orders issued by GST Department: Disputed GST Liability between GSTR 3B Vs 2B during the period from Sept-2019 to March-2020 including interest for which Company challenged through Writ-petitions before Honorable High Court of Andhra Pradesh, Amaravathi, dt. 27-07-2023.	99.29	99.29
Orders issued by Assistant Commissioner of Central Tax and Central Excise Amaravathi CGST Division Vijayawada: Disputed Transitional Credit including and Penalty for which Company filed an appeal before Joint/Additional Commissioner of Central Tax (Appeals), Guntur, Andhra Pradesh, dt. 28-08-2023.	141.67	141.67
Orders issued by GST Department: Disputed GST Liability between GSTR 3B Vs GSTR 1 during the period FY 2020-21 including interest for which Company challenged through Writ-petitions before Honorable High Court of Andhra Pradesh, Amaravathi, dt. 05-09-2023.	258.90	258.90
Orders issued by GST Department: Disputed GST Liability for Assessment of the period Jul 2017 to Aug 2019 including Tax, interest & Penalty for which Company challenged through Writ-petitions before Honorable High Court of Andhra Pradesh, Amaravathi.	-	2058.24
Orders issued by GST Department: Disputed GST Liability for ITC reversed by the GST authorities due to services taken from (sub-contract) non-existence dealer for the period from FY 2017-18 to FY 2022-23 including Tax, interest & Penalty for which Company challenged through Writ-petitions before Honorable High Court of Jharkhand, Ranchi.	-	2590.21
Orders issued by GST Department: ITC Disallowed under section 16(4) for the period April-2019 to March-2020 for which Company filed appeal before Appellate Tribunal, Odisha.	53.04	-
Orders issued by GST Department: ITC Disallowed under section 16(4) for the period April-2020 to March-2021 for which Company filed appeal before Appellate Tribunal, West Bengal, dt. 21-05-2025	33.42	-

(b) Impact of pending legal suits in various courts:		
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
(c) Guarantees		
Bank Guarantees and Letters of credit issued by banks on behalf of Company	5,065.07	2,969.85
(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	2024-25 (Rs in Lakhs)	2023-24 (Rs in Lakhs)
1. Reconciliation of opening and closing balances of obligation		
a. Obligation as at the beginning of the year	165.27	180.45
b. Current Service Cost	13.53	19.32
c. Interest Cost	9.21	49.58
d. Actuarial (Gain)/Loss	(71.40)	(93.95)
e. Past services cost	-	-
f. Benefits Paid	(0.51)	(20.85)
g. Obligation as at the end of the year	116.09	165.27
2. Expense recognized in the period		
a. Current Service Cost	13.53	19.32
b. Interest Cost	9.21	49.58
c. Actuarial(Gain)/Loss	0.00	0.00
d. Past service cost	0.00	0.00
e. Expense recognized during the year	22.74	68.90
3. Assumptions	%	%
a. Discount Rate (per annum) as at the end of the year	6.75	7.10
b. Salary Rise	2.00	2.00
c. Attrition Rate	2.00	2.00

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 has been determined based on reasonably possible changes of the assumptions 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-25 (Ind AS-19)		31-Mar-24 (Ind AS-19)	
Defined Benefit Obligation (Base)	1,16,09,392		1,65,26,677	
	Decrease	Increase	Decrease	Increase
Discount Rate (- / + 1%)	1,29,07,333	1,05,09,105	1,83,87,776	1,49,48,690
(% change compared to base due to sensitivity)	(11.18)	9.48	(11.30)	9.50
Salary Growth Rate (- / + 1%)	1,01,00,352	1,34,26,225	1,43,23,155	1,91,86,214
(% change compared to base due to sensitivity)	13.00	(15.65)	13.3	(16.10)
Attrition Rate (- / + 1%)	1,14,26,594	1,17,61,292	1,62,97,810	1,67,89,248
(% change compared to base due to sensitivity)	1.57	(1.31)	1.40	(1.60)
Mortality Rate (- / + 10%)	1,15,48,066	1,16,31,502	1,64,78,121	1,65,80,929
(% change compared to base due to sensitivity)	0.53	(0.19)	0.30	(0.30)

29. Segment Reporting

The Company's operations predominantly relate to providing Integrated Solutions, Technical Division, Projects Division and Software Development 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, 2025 & 2024

(Rs. In Lakhs)

	Integrated Solutions	Technical Division	Projects Division	Others	Unallocable	Total
Revenues	324.26	5965.94	4474.19	-	-	10764.39
	-	6016.15	2432.10	-	-	8448.25
Identified op. expenses	-	5661.02	2703.98	-	-	8365.00
	-	5777.62	1125.60	-	-	6903.22
Allocated Expenses	319.35	-	288.54	-	-	607.89
	-	-	204.17	-	-	204.17
Segmental operating income	4.90	304.92	1491.67	-	-	1791.49
		238.53	1102.33	-	-	1340.86
Un-allocable expenses	-	-	-	-	576.22	576.22
	-	-	-	-	695.19	695.19
Operating income	-	-	-	-	-	1215.27
	-	-	-	-	-	645.67
Other income/(expenses), net	-	-	-	-	335.88	335.88
	-	-	-	-	327.41	327.41
Net profit before Interest	-	-	-	-	-	1551.15
	-	-	-	-	-	973.08
(Less): Interest Expenses	-	-	-	-	379.18	379.18
	-	-	-	-	285.86	285.86
Add: Interest Income	-	-	-	-	70.23	70.23
	-	-	-	-	65.47	65.47
Net profit before taxes	-	-	-	-	-	1242.20
	-	-	-	-	-	752.69
Exceptional Items	-	-	-	-	-	(4.26)
	-	-	-	-	-	139.47
Income Taxes	-	-	-	-	-	295.86
	-	-	-	-	-	221.27
Net Profit after taxes	-	-	-	-	-	942.08
	-	-	-	-	-	391.95
Other Comprehensive Income	-	-	-	-	-	53.81
	-	-	-	-	-	70.31
Net Profit	-	-	-	-	-	995.89
	-	-	-	-	-	462.26
Other Information						
Segment Assets	16.14	1136.48	13202.12	-	4600.26	18955.00
	-	1368.05	15201.38	-	5409.67	19279.10
Segment Liabilities	343.26	682.68	2216.80	-	15712.46	18955.00
	334.40	1178.20	1770.49	-	15996.00	19279.10
Capital Expenditure	-	-	-	-	-	-
	-	-	-	-	-	-

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
Mr. T.Madhu Mitra	Whole Time Director & Son of Mr. T. Gopichand (Appointed w.e.f. 17-08-2023)	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. Ch. Mallikarjuna	Company Secretary	YES
Mr. Divakar Atluri	Director	NO
Mr. Braja Bandhu Nayak	Director	NO
Mrs. V.Usha Rani	Director	NO
Ms. D.Pravallika	Chief Financial Officer	YES
Mr. T.Rajasekhar	Son of Mr. T. Gopichand (appointed w.e.f. 11-02-2025)	YES

Transactions with Related parties:

Name of the Related Party	Mr. T. Gopichand	Mrs. T. Pavana Devi	Mr. T. Madhu Mitra	Mr. T. Bapaiah Chowdary	Mrs. T. Vindhya, Mr. T. Girish & Mr. T. Rajasekhar
Description of the nature of transactions	a) Remuneration b) Unsecured Loan Received c) Interest on unsecured loan d) Loan Repaid e) Rent paid	a) Unsecured Loan Received b) Interest on Unsecured Loans	a) Remuneration	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. 108.00 lakhs (104.00 Lakhs) b) Unsecured Loan Received of Rs. 0.00 Lakhs(Rs.0.00 Lakhs) c) Interest on unsecured loan of Rs.33.71 Lakhs (Rs. 44.98Lakhs) d) Loan repaid of Rs.350.00 Lakhs (Rs0.00 Lakhs) e) Rent paid Rs. 2.39 Lakhs (Rs. 0.00 Lakhs)	a) Unsecured Loan Received of Rs. 0.00 Lakhs(Rs.0.00 Lakhs) b) Interest on Unsecured Loans Rs. 14.87 Lakhs (Rs. 15.64 Lakhs)	a) Managerial Remuneration of Rs. 20.20 Lakhs (Rs. 16.81 Lakhs)	a) Sitting Fee Paid Rs.1.98 lakhs. (Rs.1.61Lakhs) b) Total transaction value is Rs. 0.00 lakhs (Rs. 0.00 Lakhs)	Salary of Rs.14.97 Lakhs, Rs.11.13 Lakhs and Rs. 3.59 Lakhs respectively (Rs.12.82, Rs.10.12 Lakhs and Rs. 0.00 Lakhs Respectively)
Any other elements of the related party transactions	NIL	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. 24 lakhs (Rs.12.00 lakhs) b) Unsecured Loan including interest Rs 0.00 lakhs (Rs. 399.43 lakh)	a) Unsecured Loan including interest Rs. 132.24 lakhs (Rs.138.86 lakhs)	a) Managerial Remuneration Payable Rs. 1.63 lakhs (Rs. 1.27 lakhs)	Purchase of Goods (payable) Rs. 21.29 Lakhs (Rs. 21.29 Lakhs)	Salary Payable of Rs. 1.05 lakhs, Rs.0.89 lakhs and Rs. 2.11 Lakhs respectively. (Rs. 0.96, Rs. 0.80 and 0.00 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	NIL

Name of the related Party	Ms. D.Pravallika, C.F.O. (Appointed w.e.f. 31-12-2023)	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.7.71 Lakhs (Rs.1.84 Lakhs)	Salary of Rs 10.24 Lakhs (Rs.9.48 Lakhs)
The amounts or appropriate proportions of outstanding items pertaining to related parties at the Balance Sheet date	Salary Payable of Rs. 0.71 Lakhs (Rs 0.57 Lakhs)	Salary Payable of Rs. 0.72 Lakhs (Rs. 0.77 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 March 31, 2025	As at March 31, 2024
A. Equity	12,245.00	11,249.10
B. Net debt		
Short-term borrowings and current portion of long-term debt	1,860.44	2,807.58
Add: Long-term debt	132.24	538.29
Less: Cash and cash equivalents	12.68	1,521.90
B. Total Net Debt	1,980.00	1,823.97
Total Capital (A + B)	14,225.00	13,073.07

◆ **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, 2025, and March 31, 2024.

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:

(Rs. in Lakhs)

Currency	Liabilities		Advances	
	As at	As at	As at	As at
	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024
USD	4.01 (INR 343.26)	4.01 (INR 334.39)	1.73 (INR 147.97)	1.73 (INR 144.15)

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

Particulars	Foreign Currency Sensitivity	
	As at March 31, 2025	As at March 31, 2024
	INR	INR
2% Depreciation in INR		
Impact on P&L	9.82	9.57
Total	9.82	9.57
2% Appreciation in INR		
Impact on P&L	(9.82)	(9.57)
Total	(9.82)	(9.57)

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:

Sl. No.	Particulars	As at March 31,2025	As at March 31,2024
	Measured at Amortised cost		
(i) Financial Assets			
a.	Trade receivables	13,611.74	12,420.20
b.	Cash & Cash Equivalents and bank balances (Includes Margin Money Deposits)	1,038.56	2,027.58
c.	Other financial assets	1,137.50	1,812.12
	Total	15,787.80	16,259.90
(ii) Financial Liabilities			
	Measured at Amortised cost		
a.	Borrowings	1,860.44	2,807.58
b.	Trade payables	5,129.10	4,166.21
c.	Other financial liabilities	721.23	749.84
	Total	7,710.77	7,723.63

(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 31,2025			As at March 31,2024		
	Within Twelve Months	After Twelve Months	Total	Within Twelve Months	After Twelve Months	Total
Borrowings	1,860.44	132.24	1,992.68	2,807.58	538.29	3,345.87
Trade payables	3151.50	1977.60	5129.10	1755.20	2,411.01	4,166.21
Other financial liabilities	721.23	-	721.23	749.84	-	749.84

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, 2025 and March 31, 2024 comprise of the following:

(Rs. in Lakhs)

Particulars		As at March 31, 2025	As at March 31, 2024
A	Deferred Tax Liability / Asset		
1	Related to fixed assets	(7.78)	3.25
B	Deferred Tax Assets		
1	Disallowance under the Income tax Act, 1961	207.71	209.89
C	Deferred tax (Liability)/Asset (net)	199.93	213.14

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:

Particulars	As at March 31, 2025	As at March 31, 2024
Principal amount remaining unpaid	-	-
Delayed payments due as at the end of each accounting year on account of Principal	-	-
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.	-	-
Interest accrued and remaining unpaid as at March 31	-	-
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.	-	-

35. Corporate Social Responsibility Expenditure

As per Section 135 of the Companies Act, 2013, a company, meeting the applicability threshold, needs to spend 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 2024-25	FY 2023-24
Gross Amount required to be spent during the year	-	-
Earlier Years	-	0.37
Amount spent during the year in Cash		
i) On Construction / acquisition of any asset	-	Nil
ii) On purposes other than (i) above	-	0.37
Unspent Amount	-	-

The Corporate Social Responsibility (CSR) Policy and CSR Committee have been constituted in accordance with Section 135 of the Companies Act, 2013, and the rules made thereunder. The details of the CSR Committee are provided in the Corporate Governance Report. As per the audited financial statements, the average net profit of the preceding three financial years amounts to Rs. 1,80,20,629/-.

Accordingly, the CSR budget, being 2% of the average net profits, is Rs. 3,60,413/-, which is required to be spent for FY 2024-25 by the end of FY 2025-26.

36. Earnings Per Share

Particulars	FY 2024-25	FY 2023-24
Net Profit After Tax (Rs in lakhs)	942.08	391.95
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.)	7.53	3.13

37. Disclosures of shareholding of Promoters and promoters group

Shares held by Promoters at the end of the year 31 March 2025				As at 31 March 2024		
S. No.	Name of the Promoter and Promoter Group	No of shares held (in lakhs)	% of total shares	% change during the year	No of shares held (in lakhs)	% out of number of shares of the company
1	Tummala Gopichand	11.97	9.56%	-	11.97	9.56%
2	Tummala Pavana Devi	5.75	4.59%	-	5.75	4.59%

3	Tummala Madhu Mitra	8.41	6.72%	-	8.41	6.72%
4	Tummala Rajasekhar	28.25	22.58%	-	28.25	22.58%
5	Tummala Bapaiah Chawdary	0.93	0.74%	-	0.93	0.74%
6	Tummala Tulsi Rani	0.54	0.44%	-	0.54	0.44%
7	N. Sri Durga	2.27	1.81%	-	2.27	1.81%
8	Tummala Seetaramamma	1.37	1.09%	-	1.37	1.09%

38. Ratios for the years ended March 31st 2025 and March 31st 2024 are as follows:

	Particulars	Numerator	Denominator	31.03.2025	31.03.2024	Variance
a)	Current Ratio	Current assets	Current liabilities	2.01	1.95	2.94%
b)	Debt-Equity ratio	Total Debt	Shareholders' equity	0.16	0.30	-77.43%
c)	Debt service coverage ratio	Earnings available for debt service	Debt service	2.00	2.74	51.89%
d)	Return on equity ratio	Net Profit after taxes	Equity	0.08	0.03	120.81%
e)	Inventory turnover ratio	Turnover	Closing Inventory	-	1789.88	-100%
f)	Trade receivable turnover ratio	Turnover	Closing Receivables	0.75	0.65	16.74%
g)	Trade payable turnover ratio	Purchases	Closing Payables	-	-	0.00%
h)	Net capital turnover ratio	Net Sales	Working Capital	1.21	1.02	19.06%
i)	Net profit ratio	Net profit after Tax	Net Sales	0.09	0.05	88.64%
j)	Return on capital employed ratio	Earnings Before Interest & Taxes	Capital employed	0.11	0.06	76.13%
k)	Return on Investment	Net income	Value of equity at the beginning	0.08	0.04	130.48%

39. Trade Receivables

S.No.	Particulars	TOTAL	< 6 M	6 M - 1 Y	1 - 2 y	2 - 3 y	> 3 Y
1	APSFL-AMC-PT	5,06,20,398	-	-	-	-	5,06,20,398
2	APSFL-Mis- works	64,67,085	-	-	-	-	64,67,085
3	Bharat Electronics Limited- Bhoomi (BEL)	4,86,22,343	4,86,22,343				
4	Davanagere Smart City Limited	3,17,54,018	3,17,54,018	-	-	-	-
5	Davanagere Smart Schools	67,29,823	67,29,823	-	-	-	-
6	DVVNL UPPCL	12,86,43,106	12,86,43,106	-	-	-	-
7	GST Suidha	2,81,188	2,24,200	56,988	-	-	-
8	Jharkhand Project (JAPIT)	7,74,04,589	-	-	-	7,74,04,589	-
9	Maharashtra IT Corporation Ltd	13,50,452	5,48,363	7,03,730	98,359	-	-
10	Microcare Computers Pvt Ltd	14,09,563	14,09,563	-	-	-	-
11	Odisha Power Transmission Corporation Ltd.,(OPTCL)	4,79,57,719	4,79,57,719	-	-	-	-
12	PVVNL UPPCL	10,48,23,337	10,48,23,337	-	-	-	-
13	Sitra Infotech Private Limited	2,04,012	2,04,012	-	-	-	-
14	WBSEDCL Order Oct 20 to Sep 23	7,17,89,642	7,17,89,642	-	-	-	-
15	APSFL- BBNL	41,77,40,586	-	-	-	-	41,77,40,586
16	APSFL- O&M Service	42,99,99,259	-	-	-	-	42,99,99,259
	Grand Total	142,57,97,120	44,27,06,126	7,60,718	98,359	7,74,04,589	90,48,27,328

40. Unbilled dues from the clients:

S.No.	Particulars	TOTAL	< 6M	6M- 1Y	1-2Y	2-3Y	>3Y
1	Unbilled Receivable BEL	5,82,78,325	5,82,78,325				
2	Unbilled Receivable Odisha BBNL AMC	1,22,80,460	1,22,80,460				
3	Unbilled Receivable TVSSCL	3,86,25,873				3,86,25,873	
	Total	10,91,84,658	7,05,58,785	-	-	3,86,25,873	-

41. Trade Payables

S.No.	Particulars	TOTAL	<1Y	1-2Y	2-3Y	>3Y
1	Aabmatica Technologies Pvt Ltd	28,417			28,417	
2	Altice Labs, S.A	3,43,25,798				3,43,25,798
3	Amilion Technologies Pvt Ltd	8,53,01,967			8,53,01,967	
4	AmnexInfotechnologiesPvt,Ltd.,	16,92,676	16,92,676			
5	BVM IT Consulting Services India Pvt Ltd- Sub Cont.	2,77,721	2,77,721			
6	Foregee Infotech- Setu Nashik	8,17,230	5,77,058	2,40,172		
7	Hiliks Technologies Limited	2,37,51,764	2,37,51,764			
8	KASH IT Solutions Ltd	2,24,60,364	2,24,60,364			
9	Karthik Informatics Private Limited	23,91,755	23,91,755			
10	Luminex Technosys Private Limited	1,23,30,158	1,23,30,158			
11	Prakash Electricals	15,282	15,282			
12	Praptham Tech Solutions Pvt Ltd	33,46,120			33,46,120	
13	Raja Enterprises	21,28,757				21,28,757
14	Tejas Networks Limited	36,60,722	36,60,722			
15	TVS Supply Chains Solutions Ltd	6,50,13,469	1,93,815	6,41,150	1,30,01,557	5,11,76,947
16	Unbilled Subcontracting expenses payable BEL	5,47,83,855	5,47,83,855			
17	Vaibhu Infra Tech India Pvt Ltd- UPPCL	19,29,79,472	19,29,79,472			
18	Vallabhaneni Constructions Pvt Ltd (Cr)	75,68,645				75,68,645
19	Vizion Computers	35,688	35,688			
	TOTAL	51,29,09,859	31,51,50,329	8,81,322	10,16,78,061	9,52,00,147

42. Figures for the corresponding year ended March 31, 2024, 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 Narven Associates

Chartered Accountants
FRN: 005905S

T. Madhu Mitra

Whole Time Director
DIN: 07124242

T. Gopichand

Chairman & Managing Director
DIN: 00107886

CA. G V Ramana

Partner
M.No: 025995

D. Pravallika

Chief Financial Officer

Ch. Mallikarjuna

Company Secretary
M.No. A47545

Place: Hyderabad
Date: 16-05-2025

CONSOLIDATED INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF **TERA SOFTWARE LIMITED**

Report on the Audit of the Consolidated Financial Statements Opinion

We have audited the accompanying Consolidated financial statements of TERA SOFTWARE LIMITED (the "Company"), and its Subsidiary (the Company and the Subsidiary together referred to as the Group) which comprise the Balance Sheet as at March 31, 2025, 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 "Consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Consolidated financial statements gives the information required by the Companies Act, 2013 (the "Act") in the manner so required and gives 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 group as at March 31, 2025 and its Consolidated profit, total comprehensive income, changes in equity and its Consolidated cash flows for the year ended on that date.

i. Includes the financial results of following entity: -

Name of Entity	Relationship
TS Innovations Private Limited	Subsidiary Company (74% Equity capital held by Tera Software Limited)

ii. Are presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended in this regard; and;

iii. Give a true and fair view in conformity with the aforesaid Accounting Standards and other accounting principles generally accepted in India of the net profit, and other financial information of the Group for the year ended March 31, 2025.

Basis for Opinion

We conducted our audit of the Consolidated financial statements in accordance with the Standards on Auditing ("SA"s) specified under section 143 (10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statement 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 Consolidated financial statements under the provisions of the Act and the Rules made there under, 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 Consolidated financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Consolidated financial statements for the current period. These matters were addressed in the context of our audit of the Consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Sr. No.	Key Audit Matter	Auditor's Response
1	Recognition and Measurement of Expected Credit Loss: The estimation of expected credit losses (ECL) on trade receivables was identified as a key audit matter due to its material impact on the company's financial position and performance. The significance of this area arises from the inherent judgement required in forecasting future credit losses, which involves complex assumptions and estimation uncertainty.	Our audit procedure in respect of this area included: Risk Assessment: We assessed the risk of material misstatement in the recognition and measurement of Expected credit Loss, considering the inherent complexities in the industry's revenue recognition and the potential impact of economic factors on customers' ability to pay. Evaluation of Internal Controls: We evaluated the design and implementation of internal controls over the estimation of Expected Credit Loss by testing the reasonableness of key assumptions and ensuring the accuracy and completeness of underlying data such as historical loss rates, economic indicators, and customer specific rates including the company's policies and procedures for assessing credit risk, monitoring customer payments, and determining appropriate provisions for doubtful accounts. Testing of Bad Debt Provision (i.e., Expected Credit Loss): We performed substantive testing procedures to validate the completeness and accuracy of the Expected Credit losses. These procedures include the following:

		<ul style="list-style-type: none"> Reviewing the ageing of accounts receivable, analyzing historical collection patterns. Examining supporting documents including invoices, contracts, and communications with the customers along with legitimacy of such records. Assessing the customer's creditworthiness by considering factors such as payment history, Financial Stability & credit ratings. The reasonableness of assumptions and effective discount rate used in the estimation process. <p>We also performed Sensitivity analysis to evaluate the impact of different scenarios to the allowance for expected credit losses</p>
		<p>Management Representations: We obtained written representations from management regarding the completeness and accuracy of data and assumptions used in the ECL estimation.</p> <p>Based on the procedures performed, we found the assumptions used by management to be reasonable, and the measurement of the expected credit loss provision to be supported by sufficient and appropriate audit evidence.</p>
2	<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>	<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 Thereon

The Company's Board of Directors is responsible for the preparation of 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 financial statements and our auditor's report thereon.

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

In connection with our audit of the Consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Consolidated financial statements or with 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 Consolidated 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 Consolidated 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 Consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Consolidated financial statements, Management and Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless Board of Directors 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 Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the Consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Consolidated financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, 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 and Board of Directors.
- Conclude on the appropriateness of managements and Board of Directors 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. Consolidated 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 Consolidated financial statements, including the disclosures, and whether the Consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the Consolidated financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Consolidated financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the Consolidated financial statements.

We communicate with those charged with governance 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 them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because head verse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

The consolidated financial results included the audited financial statements / financial results of TS Innovation Private Limited, whose financial statements/financial results/financial information reflect Group's share of total assets of Rs. 41,490 as at 31st March, 2025, group's share of total operating revenue of NIL and (Rs. 59,110.83) group's share of total net profit/(loss) after tax of for the year ended 31st March, 2025 are considered in the consolidated financial results which are not material to the group.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the Annexure "A", a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

2. As required by Section 143(3) of the Act, we report 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 Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including Other Comprehensive Income, Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows dealt with by this Report are in agreement with the books of account and returns.
 - D. In our opinion, the aforesaid Consolidated financial statements comply with the IndAS Specified under Section 133 of the Act read with rule 7 of the Companies (Accounts) Rules, 2014;
 - E. There are no adverse observations or comments of the auditors on financial transactions or matters which have any adverse effect on the functioning of the company.
 - F. On the basis of the written representations received from the directors as on March 31, 2025 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2025 from being appointed as a director in terms of Section 164(2) of the Act.
 - G. With respect to the adequacy of the internal financial controls with reference to the financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B." Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls with reference to the financial statements.
 - 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:
 - a. The Consolidated financial statements Company has disclosed the impact of pending litigations on its financial position in its Consolidated financial statements as at 31st March 2025.
 - b. The Group has not made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.
 - c. There were no amounts required to be transferred to the Investor Education and Protection Fund by the Company.
 - d. The management has represented that, to the best of its knowledge and belief, that
 - i. 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;
 - ii. No funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity(ies), including foreign entities ("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;
 - iii. Based on audit procedures carried out by us, that we have considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us believe that the representations under sub-clause (i) and (ii) contain any material misstatement.
 - e. In our opinion and according to the information and explanations given to us, the company has not declared any dividend during the year.
 - f. The reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 is applicable from 1 April 2023;

The Company, in respect of financial year commencing on or after the 1st April, 2024, has used Tally Prime Accounting software for maintaining its books of accounts which has a feature of recording audit trail (edit log)

facility and the same has been operated throughout the year for all transactions recorded in the software and the audit trail feature has not been tampered with and the audit trail has been preserved by the company as per the statutory requirements for record retention.

3. 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 respect of whether the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

Place : Hyderabad
 Date: 16.05.2025

For Narven Associates
 Chartered Accountants
 FRN : 0005905S

CA. G.V. RAMANA
 Partner
 Membership No: 025995
 UDIN: 25025995BMIJSU2668

ANNEXURE 'A' TO THE INDEPENDENT AUDITOR'S REPORT ISSUED TO THE MEMBERS OF TERA SOFTWARE LIMITED OF EVEN DATE

(Referred to 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

(Referred to in paragraph 1, under 'Report on Other Legal and Regulatory Requirements' section of our Report of even date)

In terms of the information and explanations sought by us and given by the company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that:

(xxi) There are no qualifications or adverse remarks by the respective auditor in the Companies (Auditors Report) Order (CARO) reports of the said companies included in the consolidated financial statements.

Place : Hyderabad
 Date: 16.05.2025

For Narven Associates
 Chartered Accountants
 FRN : 0005905S

CA. G.V. RAMANA
 Partner
 Membership No: 025995
 UDIN: 25025995BMIJSU2668

ANNEXURE "B" TO THE INDEPENDENT AUDITOR'S REPORT of on the Consolidated INDAS Financial Statements of M/s TERA SOFTWARE LIMITED for the year ended 31st March,2025.

(Referred to in paragraph 2(f) under 'Report on other legal and regulatory requirements' section of our report to the Members of Tera Software Limited of even date)

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, 2025 in conjunction with our audit of the Consolidated Ind AS financial statements of the Tera Software Limited (hereinafter referred to as "the Holding Company") and such companies incorporated in India under the Companies Act, 2013 which are its subsidiary company.

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at 31 March 2025, based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

Management's Responsibility for Internal Financial Controls

The Company's management and Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal controls with reference to financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to the Consolidated Financial Statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing ("SA"), prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to the Consolidated Financial Statements. Those SAs and the Guidance Note require that we comply with the ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to the Consolidated Financial Statements were established and maintained and whether 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 with reference to the Consolidated Financial Statements and their operating effectiveness. Our audit of internal financial controls with reference to the Consolidated Financial Statements included obtaining an understanding of internal financial controls with reference to the Consolidated Financial Statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the Consolidated 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 control with reference to financial statements.

Meaning of Internal Financial Controls Over Financial Reporting

A Company's internal financial control with reference to 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 (i) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (ii) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (iii) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls 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, 2025, 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.

OTHER MATTER

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to consolidated financial statements in so far as it relates to subsidiaries, step down subsidiary which was incorporated in India, is based solely on the corresponding report of the auditor of such company incorporated in India. Our opinion is not modified in respect of this matter.

Place : Hyderabad
Date: 16.05.2025

For Narven Associates
Chartered Accountants
FRN : 0005905S

CA. G.V. RAMANA
Partner
Membership No: 025995
UDIN: 25025995BMIJSU2668

CONSOLIDATED BALANCE SHEET AS AT 31-03-2025

(Rs. In Lakhs)

Particulars		Note	For the Year Ended As at 31-03-2025 Audited	For the Year Ended As at 31-03-2024 Audited
I.	ASSETS			
1.	Non-current assets			
(i)	Property, Plant & Equipment	1	2,653.45	2,659.55
(ii)	Financial Assets			
(a)	Investment	2	-	-
(b)	Other Financial Assets	2	236.15	334.08
(iii)	Other non current assets	3	543.32	492.44
(iv)	Deferred tax Asset (net)	4	199.93	213.14
	Total non-current assets		3,632.85	3,699.21
2.	Current assets			
(i)	Inventories	5	-	4.72
(ii)	Financial Assets			
(a)	Trade receivables	6	13,611.74	12,420.20
(b)	Cash and Cash Equivalents	7	1,038.96	2,028.87
(c)	Other financial assets	8	1,137.50	1,812.12
(iii)	Other current assets	9	1,909.07	768.94
	Total current assets		17,697.27	17,034.85
	TOTAL		21,330.12	20,734.06
II	EQUITY AND LIABILITIES			
A	Equity			
(a)	Equity Share Capital	10	1,251.19	1,251.19
(b)	Other Equity	11	10,992.72	9,997.43
(c)	Minority Interest		0.26	0.26
	Total Equity		12,244.17	11,248.88
B	Liabilities			
1.	Non-current liabilities			
(i)	Financial liabilities			
(a)	Lease Liabilities		-	-
(b)	Borrowings	12	132.24	538.29
(ii)	Provisions	13	142.40	204.05
	Total non-current liabilities		274.64	742.34
2.	Current liabilities			
(i)	Financial liabilities			
(a)	Lease Liabilities			
(b)	Borrowings	14	1,860.44	2,807.58
(c)	Trade payables	15	-	-
	Total Outstanding dues to Micro enterprises and small enterprises		-	-
	Total Outstanding dues to creditors other than Micro enterprises and small enterprises		5,129.10	4,304.08
(d)	Other financial liabilities	16	721.73	624.69
(ii)	Other current liabilities	17	782.37	787.94
(iii)	Provisions	18	317.66	218.55
	Total current liabilities		8,811.30	8,742.84
	TOTAL		21,330.11	20,734.06

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

As per our report of even date attached

For Narven Associates

Chartered Accountants
FRN: 005905S

T. Madhu Mitra

Whole Time Director
DIN: 07124242

T. Gopichand

Chairman & Managing Director
DIN: 00107886

CA. G V Ramana

Partner
M.No: 025995

D. Pravallika

Chief Financial Officer

Ch. Mallikarjuna

Company Secretary
M.No. A47545

Place: Hyderabad
Date: 16-05-2025

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE PERIOD/YEAR ENDED 31-03-2025 (Rs. In Lakhs)

Particulars		Note	For the Year Ended 31-03-2025 Audited	For the Year Ended 31-03-2024 Audited
Income				
I	Revenue from operations	19	10,764.38	8,448.25
II	Other income	20	406.11	392.88
III	Total Income (I+II)		11,170.49	8,841.13
Expenses				
IV	Purchases	21	-	-
	Change in inventories	22	4.72	7.56
	Technical & Operation expenses	23	7,424.21	5,568.69
	Employee benefit expenses	24	1,840.15	1,856.68
	Finance costs	25	379.18	285.86
	Depreciation and amortization expenses	1	13.59	14.98
	Other expenses	26	267.03	355.17
	Total Expenses (IV)		9,928.88	8,088.94
V	Profit /(Loss) before Exceptional items and tax (III-IV)		1,241.61	752.19
VI	Exceptional items		-	-
	Less:		39.26	139.47
	Add:		35.00	-
VII	Profit/(Loss) before tax (V-VI)		1,237.35	612.72
VIII	Tax expense			
	1) Current tax		307.30	205.72
	2) Earlier years Taxes		(6.56)	(31.76)
	3) Deferred tax (Net)		(4.88)	47.32
IX	Profit/(Loss) for the period from continuing operations (VII-VIII)		941.49	391.45
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)		941.49	391.45
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		71.91	93.96
	(ii) Income tax relating to items that will be reclassified to profit or loss		(18.10)	(23.65)
XV	Total Comprehensive income for the period (XIII+XIV) (Comprising Profit /(Loss) and Other Comprehensive income for the period		995.30	461.76
XVI	Earnings per equity share Rs10/- (for continuing operations)			
	1) Basic		7.52	3.13
	2) Diluted		7.52	3.13

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

As per our report of even date attached

For Narven Associates

Chartered Accountants
FRN: 005905S

CA. G V Ramana

Partner
M.No: 025995

Place: Hyderabad
Date: 16-05-2025

T. Madhu Mitra

Whole Time Director
DIN: 07124242

D. Pravallika

Chief Financial Officer

T. Gopichand

Chairman & Managing Director
DIN: 00107886

Ch. Mallikarjuna

Company Secretary
M.No. A47545

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31-03-2025

(Rs. In Lakhs)

Particulars	Year Ended 31-03-2025	Year Ended 31-03-2024
A. Cash flow from operating activities		
Net Profit / (Loss) before tax as per Profit & Loss Statement	1,237.35	612.72
Adjustments for:		
Depreciation and amortisation	13.59	14.98
Sundry Credit Balances Written Back	-	-
Interest Income	(70.23)	(65.47)
Bad Debts Written Off	(38.79)	57.08
Finance Cost	379.18	285.86
Advances Written off	4.50	-
SLA Deductions	-	7.87
CSR Expenditure	(5.33)	
Exchange Fluctuations	2.77	4.89
Exceptional Item	2.55	49.99
Changes in Assets and Liabilities:		
Trade receivables	(1,149.28)	264.75
Other Financial Assets and Other Assets	97.93	(25.10)
Other Non Current Assets	-50.88	12.36
Other Financial Assets	674.63	(1,152.86)
Other Current Assets	(1,321.80)	21.86
Inventories	4.72	7.56
Trade Payables	816.23	(425.31)
Long Term Provisions	10.26	79.45
Other Current Liabilities	(5.57)	(116.97)
Short Term Provisions	-2.47	0.46
Other Financial Liabilities	97.87	(71.16)
Cash generated from operations	697.22	(437.04)
Income tax paid	16.20	(153.57)
Net cash flow from operating activities (A)	681.02	(283.47)
B. Cash flow from investing activities		
Property, Plant & Equipment	(7.50)	-
Sale of Land	-	-
Interest Income	70.23	65.47
Net cash flow from Investing activities (B)	62.73	65.47
C. Cash flow from financing activities		
Short Term Borrowings(Net)	(947.14)	876.07
Long Term Borrowings	(406.05)	54.55
Interest Paid	(379.18)	(285.86)
Net cash flow from Financing activities (C)	(1,732.37)	644.76
Net increase in Cash and cash equivalents (A+B+C)	(988.62)	426.76
Opening balance of Cash and cash equivalents	2,027.57	1,600.81
Closing balance of Cash and cash equivalents	1,038.96	2,027.57
Components of Cash and Cash Equivalents		
Cash and cheques on Hand	9.46	9.47
Balances with Banks		
- On Current Accounts	3.62	1,512.43
- On Deposit Accounts	1,025.88	505.67
Cash and cash Equivalent as per Note 7	1,038.96	2,027.57

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

As per our report of even date attached

For Narven Associates

Chartered Accountants
FRN: 005905S

CA. G V Ramana

Partner
M.No: 025995

Place: Hyderabad
Date: 16-05-2025

T. Madhu Mitra

Whole Time Director
DIN: 07124242

D. Pravallika

Chief Financial Officer

T. Gopichand

Chairman & Managing Director
DIN: 00107886

Ch. Mallikarjuna

Company Secretary
M.No. A47545

CONSOLIDATED NOTES FORMING PART OF THE IND AS FINANCIAL STATEMENTS

1. PROPERTY, PLANT AND EQUIPMENT

Details	Gross block as at 01/04/2024	Additions	Deletions	Gross block as at 31/03/2025	Accumulated Depreciation as at 01/04/2024	Depreciation for the Year/Period	Total Depreciation upto 31/03/2025	(Rs. In Lakhs)	
								Net Block As 31/03/2025	Net Block As 31/03/2024
Land	2,229.66	-	-	2,229.66	-	-	-	2,229.66	2,229.66
Buildings	558.09	-	-	558.09	139.55	9.30	148.85	409.24	418.55
Plant & Equipment	329.88	2.78	-	332.66	329.88	0.14	330.02	2.64	-
Furniture & Fixtures	123.64	-	-	123.64	120.90	0.93	121.84	1.82	2.74
Vehicles	99.79	-	-	99.79	95.39	1.34	96.72	3.07	4.40
Office Equipment	25.98	4.71	-	30.69	25.49	0.72	26.21	4.48	0.49
Electrical & Fixtures	105.91	-	-	105.91	102.20	1.16	103.36	2.54	3.70
Capital Expenditure on Projects Div	1,083	-	-	1,082.88	1,082.88	-	1,082.88	-	-
Total	4,555.84	7.50	-	4,563.33	1,896.30	13.59	1,909.89	2,653.45	2,659.55

CONSOLIDATED NOTES FORMING PART OF THE IND AS FINANCIAL STATEMENTS

(Rs. in Lakhs)

Particulars	As at 31-03-2025 Audited	As at 31-03-2024 Audited
FINANCIAL ASSETS		
2 OTHER FINANCIAL ASSETS		
Investment		
Security and other Deposits	236.15	334.08
Total	236.15	334.08
3 OTHER NON CURRENT ASSETS		
(Unsecured, Considered good)		
Bank deposits maturity of morethan 12 months	114.93	64.05
BG Claim Under Protest	428.39	428.39
Total	543.32	492.44
4 Deferred tax Asset (net)		
On account of Fixed Assets	(7.78)	3.25
On account of Income tax disallowances	207.71	209.89
Total	199.93	213.14
5 INVENTORIES		
(a) Finished Goods	-	4.72
(b) Consumables	-	-
(c) Work-in-progress	-	-
Total	-	4.72
6 Trade receivables		
a) Considered Good - Secured		
b) Considered Good - Unsecured	14,257.97	13,063.89
c) Trade Receivables which have significant increase in credit risk	-	-
d) Trade Receivables credit Impaired	-	-
Less: Credit Loss Allowance	(646.23)	(643.69)
Total	13,611.74	12,420.20
7 Cash and Cash Equivalents		
(i) Cash on hand	9.46	9.47
(ii) Balances with Banks	-	-
In current accounts	3.62	1,513.73
In Dividend account	-	-
In Marging Money Deposits	1,025.88	505.67
Total	1,038.96	2,028.87
8 Other financial assets		
Accrued Interest	45.65	18.36
Unbilled Receivables	1,091.85	1,793.76
Total	1,137.50	1,812.12
9 OTHER CURRENT ASSETS		
(Unsecured and considered good)		
(a) Advance to Suppliers / Service Providers	411.17	386.34
(b) Staff Advances	3.15	4.66
(c) Advance for Expenses	2.30	1.49
(d) Prepaid expense	987.56	46.32
(e) Balances with government authorities	503.28	326.60
(f) Rent Receivable	1.61	3.53
Total	1,909.07	768.94

CONSOLIDATED NOTES FORMING PART OF THE IND AS FINANCIAL STATEMENTS

(Rs. in Lakhs)

Particulars	Year Ended		Year Ended	
	As at 31-03-2025		As at 31-03-2024	
	Audited		Audited	
	Number of shares	Amount	Number of shares	Amount
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 31-03-2025		As at 31-03-2024	
	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 Raja Sekhar	28.25	22.58%	28.25	22.58%

10.2 Reconciliation of number of shares

Name of the Shareholder	As at 31-03-2025		As at 31-03-2024	
	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

- 1 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.

CONSOLIDATED NOTES FORMING PART OF THE IND AS FINANCIAL STATEMENTS

(Rs. in Lakhs)

Particulars	For the Year Ended	For the Year Ended
	As at	As at
	31-03-2025	31-03-2024
	Audited	Audited
11 OTHER EQUITY		
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	5,311.66	4,849.91
CSR Expenditure	-	-
IND AS Impact	-	-
Add: Profit for the year / period	941.49	391.45
Figures as at the end of Reporting period	6,253.14	5,241.36
Other Comprehensive Income / Loss Net of Tax at the end of the previous reporting year		
Other Comprehensive Income / Loss Net of Tax	53.81	70.31
Less : Proposed dividend	-	-
: Tax on Proposed dividend	-	-
: Transfer to General Reserves	-	-
	53.81	70.31
Total of Reserves and Surplus	10,992.72	9,997.43

NATURE OF RESERVES

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

CONSOLIDATED NOTES FORMING PART OF THE IND AS FINANCIAL STATEMENTS

(Rs. in Lakhs)

Particulars	For the Year Ended	For the Year Ended
	As at	As at
	31-03-2025	31-03-2024
	Audited	Audited
12 Long term borrowings		
Term loans		
From Banks	-	-
From Directors	132.24	538.29
Total	132.24	538.29
13 Long term provisions		
Gratuity	142.40	204.05
Total	142.40	204.05
14 Short term borrowings		
- Secured		
(a) Loans repayable on demand from banks	-	-
(b) Cash credit	1,860.44	2,807.58
(c) Short Term Working Capital Loans from Banks	-	-
(d) Short Term Loan from Others 1 & 2	-	-
Total	1,860.44	2,807.58
15 Trade Payables		
- Total Outstanding dues to Micro enterprises and small enterprises	-	-
- Total Outstanding dues to creditors other than Micro enterprises and small enterprises	5,129.10	4,304.08
Total	5,129.10	4,304.08
16 Other financial liabilities		
Retention money	138.75	156.07
Unpaid Dividend	-	-
Other Payables	582.98	468.62
Advance for Sale of Asset	-	-
Total	721.73	624.69
17 Other current liabilities		
Advance from customers / Mobilisation advances	-	-
Statutory dues	756.00	762.04
Other payables	26.37	25.90
Total	782.37	787.94
18 Short-term provisions		
Provision for employee benefits:		
Gratuity	10.36	12.83
Provision for Income Tax	307.30	205.72
Provision- others:		
- Provision for SLA's	-	-
Total	317.66	218.55

CONSOLIDATED NOTES FORMING PART OF THE IND AS FINANCIAL STATEMENTS

(Rs. in Lakhs)

	Particulars	For the Year Ended	For the Year Ended
		As at 31-03-2025 Audited	As at 31-03-2024 Audited
19	REVENUE FROM OPERATIONS		
	Sales of Services	10,725.59	8,448.25
	Operating Revenue	38.79	-
	Total	10,764.38	8,448.25
20	OTHER INCOME		
	Interest income	70.23	65.47
	Rental Income	335.88	327.41
	OTHER INCOME		
	Profit on Sales Asset	-	-
	Total	406.11	392.88
21	PURCHASES		
	Purchase	-	-
	Total	-	-
22	CHANGES IN INVENTORIES		
	INVENTORIES AT THE BEGNNING OF THE YEAR		
	Opening Stock		
	Traded Goods	4.72	(101.20)
	Consumables	-	113.48
	Total (A)	4.72	12.28
	INVENTORIES AT THE END OF THE YEAR		
	Closing Stock		
	Traded Goods	-	4.72
	Consumables	-	-
	Total (B)	-	4.72
	(Increase) / Decrease in Stocks (A) - (B)	4.72	7.56
23	TECHNICAL & OPERATION EXPENSES		
	Power and Fuel	21.96	25.45
	Software Maintenance Charges	45.65	39.72
	Rent Charges	13.42	10.67
	Consumables	0.44	0.23
	Insurance	7.86	7.47
	Repairs & Maintenance & AMC Charges	168.47	93.19
	Transport Charges	0.81	1.66
	Exchange Fluctuation	2.77	4.89
	Subcontract & Other Work Charges	7,162.83	5,385.41
	Total	7,424.21	5,568.69
24	EMPLOYEE BENEFIT EXPENSE		
	Salaries, Wages and other benefits	1,671.78	1,688.98
	Contribution to Provident Fund & other Funds	164.98	165.11
	Staff Welfare Expense	3.39	2.59
	Total	1,840.15	1,856.68

CONSOLIDATED NOTES FORMING PART OF THE IND AS FINANCIAL STATEMENTS

(Rs. in Lakhs)

Particulars	For the Year Ended	For the Year Ended
	As at	As at
	31-03-2025	31-03-2024
	Audited	Audited
25 FINANCE COST		
Interest	262.77	198.23
Other borrowing cost	116.41	87.63
Total	379.18	285.86
26 OTHER EXPENSES		
Rates and Taxes	34.65	42.01
Office Maintenance	7.85	6.32
Communication Expense	2.58	2.60
Conveyance Expense	16.42	22.33
Travelling, Boarding & Lodging Expense	29.89	12.07
Printing and Stationery	1.68	0.95
Professional & Consultancy Expense	120.15	59.23
Directors' sitting fee	8.42	10.11
Discounts & Disallowances	-	-
Exchange Fluctuations-OTHERS	-	-
Incorporation Expenses	-	0.24
Advertisement Expense	1.59	1.49
Advances Written Off	4.50	-
Bad Debts Written off	-	57.08
Business Promotion	1.80	2.84
Bank Charges and Others	4.39	12.77
CSR Expenses	(5.33)	-
Interest on late payment on GST / Service Tax	0.69	32.18
Expected Credit Loss	2.55	49.99
General Expenses	(146.30)	26.11
SLA Deductions	166.59	-
Miscellaneous Expense	1.66	3.10
Payment to Auditors		
Statutory Audit fee	9.25	9.25
Tax Audit Fee	3.00	3.00
Other Services	1.00	1.50
Total	267.03	355.17

CONSOLIDATED

Group information:

Tera Software Limited (the Company or the Holding Company) is a public limited company domiciled in India was incorporated on September 09, 1994 with CIN: L72200TG1994PLC018391 under the provisions of the Companies Act, 1956. The registered office of the Company is situated at # 8-2-293/82/A/1107, Road No.55, Jubilee Hills, Shaik pet, Hyderabad-500033, Telangana State, India.

TS Innovations Private Limited (TSPL) incorporated on 18-07-2023 with CIN U62020TS2023PTC175114 having its Registered office at 8-2-293/82/A/1107/A, Road No.55, Jubilee Hills, Hyderabad, Shaik pet, Telangana, India, 500033. At the time of incorporation, M/s Tera Software Limited has acquired 76% of shares in TSPL and Sitra Infotech private Limited acquired 24% of shares in TSPL and thus TSPL has become a subsidiary company to Tera Software Limited as per provisions of the Companies Act, 2013.

The consolidated financial statements are approved for issue by the Board of Directors at its meeting held on 16th May 2025

SIGNIFICANT ACCOUNTING POLICIES

a) Basis of Preparation of Consolidated Financial Statements

These consolidated financial statements are prepared on the accrual basis of accounting and in accordance with the Indian Accounting Standards (Ind AS) notified under Companies (Indian Accounting Standards) Rules, 2015 and referred under Section 133 of the Companies Act, 2013.

These consolidated financial statements have been prepared on a historical cost basis

The financial statements have been prepared for the Group as a going concern on the basis of relevant Ind AS that are effective at the Group's annual reporting date

b) Basis of Consolidation

The Company consolidates entities which it owns or controls. Control exists when the parent has power over an entity, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns by using its power over the entity. Power is demonstrated through existing rights, that give the ability to direct relevant activities which significantly affect the entity's returns. Subsidiaries are consolidated from the date control commences until the date control ceases.

The financial statements of the Group companies are consolidated on a line-by-line basis and intra group balances and transactions including unrealized gain / loss from such transactions are eliminated upon consolidation. All inter-company transactions, balances, income and expenses are eliminated in full on consolidation. Changes in the Company's interests in subsidiaries that do not result in a loss of control are accounted for as equity transactions. The carrying amount of the Company's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognized directly in equity and attributed to shareholders of the Company.

Interest in the subsidiary

TS Innovations Private Limited ("subsidiary") is a subsidiary of the Company.

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 consolidated financial statements

The consolidated 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 use on the date of the Balance Sheet are disclosed as "capital work-in-progress".

Depreciation is recognized using Written Down Value 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 quarter 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 capitalized /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 recognized 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 recognized 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 recognized for all taxable temporary differences. Deferred tax assets are generally recognized 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 recognized 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 31st March 2025

Rupees in Lakhs

Particulars	Land	Buildings	Plant & Equipment	Furniture & Fixtures	Vehicles	Office Equipment	Electrical & Fixtures	Capital Assets on Projects Division
Gross carrying value as at April 1, 2024	2,229.66	558.09	329.88	123.64	99.79	25.98	105.91	1,082.88
additions	-	-	2.78	-	-	4.71	-	-
Deletions	-	-	-	-	-	-	-	-
Gross carrying value as at March 31, 2025	2,229.66	558.09	332.66	123.64	99.79	30.69	105.91	1,082.88
Accumulated depreciation as at April 1, 2024	-	139.55	329.88	120.90	95.39	25.49	102.20	1,082.88
Depreciation	-	9.30	0.14	0.93	1.34	0.72	1.16	-
Accumulated depreciation on deletions	-	-	-	-	-	-	-	-
Accumulated depreciation as at March 31, 2025	-	148.85	330.02	121.84	96.72	26.21	103.36	1082.88
Carrying value as at April 1, 2024	2,229.66	418.54	-	2.74	4.40	0.49	3.70	-
Carrying value as at March 31, 2025	2229.66	409.24	2.64	1.82	3.07	4.48	2.54	-

Property, plant and equipment consist of the following for the year ended 31st March 2024

Rupees in Lakhs

Particulars	Land	Buildings	Plant & Equipment	Furniture & Fixtures	Vehicles	Office Equipment	Electrical & Fixtures	Capital Assets on Projects Division
Gross carrying value as at April 1, 2023	2,229.66	558.09	329.88	123.64	99.79	25.98	105.91	1,082.88
additions	-	-	-	-	-	-	-	-
Deletions *	-	-	-	-	-	-	-	-
Gross carrying value as at March 31, 2024	2,229.66	558.09	329.88	123.64	99.79	25.98	105.91	1,082.88
Accumulated depreciation as at April 1, 2023	-	129.30	329.88	119.96	94.05	24.98	100.93	1,082.88
Depreciation	-	10.25	-	0.94	1.34	0.51	1.68	-
Accumulated depreciation on deletions	-	-	-	-	-	-	-	-

Accumulated depreciation as at March 31, 2024	-	139.55	329.88	120.90	95.39	25.49	102.20	1,082.88
Carrying value as at April 1, 2023	2,229.66	428.79	-	3.68	5.74	0.62	5.38	-
Carrying value as at March 31, 2024	2,229.66	418.54	-	2.74	4.40	0.49	3.70	-

t) Provisions, contingent liabilities and contingent assets

Provisions are recognized 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 recognized 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:

- changes during the period in inventories and operating receivables and payables transactions of a non-cash nature;
- non-cash items such as depreciation, provisions, deferred taxes, unrealized foreign currency gains and losses, and undistributed profits of associates; and
- 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 equities 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 recognized 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.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS
27. Contingent Liabilities and Commitments not provided for

Rs. In Lakhs

Particulars	As at March 31, 2025	As at March 31, 2024
(A) Contingent Liability		
(a) Matters under litigation		
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**, dt. 31-03-2022	428.38	428.38
Service Tax / GST		
Disputed Service Tax Liability for which the company has filed an appeal with CESTAT-Hyderabad, dt. 19-12-2016	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 on March 2018	166.27	166.27
Disputed VAT liability for which the company has filed an appeal with AP VAT Appellate Tribunal-Visakhapatnam, dt. 05-12-2022	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, dt. 05-12-2022	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, dt. 05-12-2022	6.97	6.97
Orders issued by GST Department: Disputed GST Liability including interest for which Company has filed an appeal with Appellate Deputy Commissioner, Tirupathi, , dt. 07-09-2021	555.67	555.67
Orders issued by GST Department: Disputed GST Liability between GSTR 3B Vs 2B during the period from Sept-2019 to March-2020 including interest for which Company challenged through Writ-petitions before Honorable High Court of Andhra Pradesh, Amaravathi, dt. 27-07-2023	99.29	99.29
Orders issued by Assistant Commissioner of Central Tax and Central Excise Amaravathi CGST Division Vijayawada: Disputed Transitional Credit including and Penalty for which Company filed an appeal before Joint/Additional Commissioner of Central Tax (Appeals), Guntur, Andhra Pradesh, dt. 28-08-2023	141.67	141.67
Orders issued by GST Department: Disputed GST Liability between GSTR 3B Vs GSTR 1 during the period FY 2020-21 including interest for which Company challenged through Writ-petitions before Honorable High Court of Andhra Pradesh, Amaravathi, dt. 05-09-2023	258.90	258.90
Orders issued by GST Department: Disputed GST Liability for Assessment of the period Jul 2017 to Aug 2019 including Tax, interest & Penalty for which Company challenged through Writ-petitions before Honorable High Court of Andhra Pradesh, Amaravathi.	-	2058.24
Orders issued by GST Department: Disputed GST Liability for ITC reversed by the GST authorities due to services taken from (sub-contract) non-existence dealer for the period from FY 2017-18 to FY 2022-23 including Tax, interest & Penalty for which Company challenged through Writ-petitions before Honorable High Court of Jharkhand, Ranchi.	-	2590.21
Orders issued by GST Department: ITC Disallowed under section 16(4) for the period April-2019 to March-2020 for which Company filed appeal before Appellate Tribunal, Odisha.	53.04	-
Orders issued by GST Department: ITC Disallowed under section 16(4) for the period April-2020 to March-2021 for which Company filed appeal before Appellate Tribunal, West Bengal, dt. 21-05-2025	33.42	-

(b) Impact of pending legal suits in various courts:		
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
(c) Guarantees		
Bank Guarantees and Letters of credit issued by banks on behalf of Company	5,065.07	2,969.85
(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	2024-25 (Rs in Lakhs)	2023-24 (Rs in Lakhs)
1. Reconciliation of opening and closing balances of obligation		
a. Obligation as at the beginning of the year	165.27	180.45
b. Current Service Cost	13.53	19.32
c. Interest Cost	9.21	49.58
d. Actuarial (Gain)/Loss	(71.40)	(93.95)
e. Past services cost	-	-
f. Benefits Paid	(0.51)	(20.85)
g. Obligation as at the end of the year	116.09	165.27
2. Expense recognized in the period		
a. Current Service Cost	13.53	19.32
b. Interest Cost	9.21	49.58
c. Actuarial(Gain)/Loss	0.00	0.00
d. Past service cost	0.00	0.00
e. Expense recognized during the year	22.74	68.90
3. Assumptions	%	%
a. Discount Rate (per annum) as at the end of the year	6.75	7.10
b. Salary Rise	2.00	2.00
c. Attrition Rate	2.00	2.00

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 has been determined based on reasonably possible changes of the assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

The result of sensitivity analysis is given below:

Particulars	31-03-2025 (Ind AS-19)		31-03-2024 (Ind AS-19)	
Defined Benefit Obligation (Base)	1,16,09,392		1,65,26,677	
	Decrease	Increase	Decrease	Increase
Discount Rate (- / + 1%)	1,29,07,333	1,05,09,105	1,83,87,776	1,49,48,690
(% change compared to base due to sensitivity)	(11.18)	9.48	(11.3)	9.5
Salary Growth Rate (- / + 1%)	1,01,00,352	1,34,26,225	1,43,23,155	1,91,86,214
(% change compared to base due to sensitivity)	13.00	(15.65)	13.3	(16.1)
Attrition Rate (- / + 1%)	1,14,26,594	1,17,61,292	1,62,97,810	1,67,89,248
(% change compared to base due to sensitivity)	1.57	(1.31)	1.4	(1.6)
Mortality Rate (- / + 10%)	1,15,48,066	1,16,31,502	1,64,78,121	1,65,80,929
(% change compared to base due to sensitivity)	0.53	(0.19)	0.3	(0.3)

29. Segment Reporting

The Company's operations predominantly relate to providing Integrated Solutions, Technical Division, Projects Division and Software Development 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, 2025 & 2024

(Rs. In Lakhs)

	Integrated Solutions	Technical Division	Projects Division	Others	Unallocable	Total
Revenues	324.26	5965.94	4474.19	-	-	10764.39
	-	6016.15	2432.10	-	-	8448.25
Identified op. expenses	-	5661.02	2703.98	-	-	8365.00
	-	5777.62	1125.60	-	-	6903.22
Allocated Expenses	319.35	-	288.54	-	-	607.89
	-	-	204.17	-	-	204.17
Segmental operating income	4.90	304.92	1491.67	-	-	1791.49
		238.53	1102.33	-	-	1340.86
Un-allocable expenses	-	-	-	-	576.81	576.81
	-	-	-	-	695.69	695.69
Operating income	-	-	-	-	-	1214.68
	-	-	-	-	-	645.17
Other income/(expenses), net	-	-	-	-	335.88	335.88
	-	-	-	-	327.41	327.41
Net profit before Interest	-	-	-	-	-	1550.56
	-	-	-	-	-	972.58
(Less): Interest Expenses	-	-	-	-	379.18	379.18
	-	-	-	-	285.86	285.86
Add: Interest Income	-	-	-	-	70.23	70.23
	-	-	-	-	65.47	65.47
Net profit before taxes	-	-	-	-	-	1241.61
	-	-	-	-	-	752.19
Exceptional Items	-	-	-	-	-	(4.26)
	-	-	-	-	-	139.47
Income Taxes	-	-	-	-	-	295.86
	-	-	-	-	-	221.27
Net Profit after taxes	-	-	-	-	-	941.48
	-	-	-	-	-	391.45
Other Comprehensive Income	-	-	-	-	-	53.81
	-	-	-	-	-	70.31
Net Profit	-	-	-	-	-	995.30
	-	-	-	-	-	461.76
Other Information						
Segment Assets	16.14	1136.48	13179.61	-	4599.94	18932.17
	-	1368.05	12501.38	-	5409.67	19279.10
Segment Liabilities	343.26	682.68	2216.80	-	15703.73	18932.17
	334.40	1178.20	1770.49	-	15996.00	19279.10
Capital Expenditure	-	-	-	-	-	-
	-	-	-	-	-	-

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
Mr. T.Madhu Mitra	Whole Time Director & Son of Mr. T. Gopichand (Appointed w.e.f. 17-08-2023)	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. Ch. Mallikarjuna	Company Secretary	YES
Mr. Divakar Atluri	Director	NO
Mr. Braja Bandhu Nayak	Director	NO
Mrs. V.Usha Rani	Director	NO
Ms. D.Pravallika	Chief Financial Officer	YES
Mr. T. Rajasekhar	Son of Mr. T. Gopichand (appointed w.e.f. 11-02-2025)	YES

Transactions with Related parties:

Name of the Related Party	Mr. T. Gopichand	Mrs. T. Pavana Devi (Retired w.e.f. 17-08-2023)	Mr. T. Madhu Mitra (Appointed w.e.f. 17-08-2023)	Mr. T. Bapaiah Chowdary	Mrs. T. Vindhya, Mr. T. Girish & Mr. T. Rajasekhar
Description of the nature of transactions	a) Remuneration b) Unsecured Loan Received c) Interest on unsecured loan d) Loan Repaid e) Rent paid	a) Unsecured Loan Received b) Interest on Unsecured Loans	a) Remuneration	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. 108.00 lakhs (104.00 Lakhs) b) Unsecured Loan Received of Rs. 0.00 Lakhs (Rs.0.00 Lakhs) c) Interest on unsecured loan of Rs.33.71 Lakhs (Rs. 44.98Lakhs) d) Loan repaid of Rs.350.00 Lakhs (Rs0.00 Lakhs) e) Rent paid Rs. 2.39 Lakhs (Rs. 0.00 Lakhs)	a) Unsecured Loan Received of Rs. 0.00 Lakhs (Rs.0.00 Lakhs) b) Interest on Unsecured Loans Rs. 14.87 Lakhs (Rs. 15.64 Lakhs)	a) Managerial Remuneration of Rs. 20.20 Lakhs (Rs. 16.81 Lakhs)	a) Sitting Fee Paid Rs.1.98 lakhs. (Rs.1.61Lakhs) b) Total transaction value is Rs. 0.00 lakhs (Rs. 0.00 Lakhs)	Salary of Rs.14.97 Lakhs, Rs.11.13 Lakhs and Rs. 3.59 Lakhs respectively (Rs.12.82, Rs.10.12 Lakhs and Rs. 0.00 Lakhs Respectively)
Any other elements of the related party transactions	NIL	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. 24 lakhs (Rs.12.00 lakhs) b) Unsecured Loan including interest Rs 0.00 lakhs (Rs. 399.43 lakh)	a) Unsecured Loan including interest Rs. 132.24 lakhs (Rs.138.86 lakhs)	a) Managerial Remuneration Payable Rs. 1.63 lakhs (Rs. 1.27 lakhs)	Purchase of Goods (payable) Rs. 21.29 Lakhs (Rs. 21.29 Lakhs)	Salary Payable of Rs. 1.05 lakhs, Rs.0.89 lakhs and Rs. 2.11 Lakhs respectively. (Rs. 0.96, Rs. 0.80 and 0.00 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	NIL

Name of the related Party	Ms. D.Pravallika, C.F.O. (Appointed w.e.f. 31-12-2023)	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.7.71 Lakhs (Rs.1.84 Lakhs)	Salary of Rs 10.24 Lakhs (Rs.9.48 Lakhs)
The amounts or appropriate proportions of outstanding items pertaining to related parties at the Balance Sheet date	Salary Payable of Rs. 0.71 Lakhs (Rs 0.57 Lakhs)	Salary Payable of Rs. 0.72 Lakhs (Rs. 0.77 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
	31-03-2025	31-03-2024
A. Equity	12,244.17	11,248.88
B. Net debt		
Short-term borrowings and current portion of long-term debt	1,860.44	2,807.58
Add: Long-term debt	132.24	538.29
Less: Cash and cash equivalents	13.08	1,523.20
B. Total Net Debt	1,979.60	1,822.67
Total capital (A + B)	14,223.77	13,071.55

◆ **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, 2025, and March 31, 2024.

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:

(Rs. in Lakhs)

Currency	Liabilities		Advances	
	As at	As at	As at	As at
	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024
USD	4.01 (INR 343.26)	4.01 (INR 334.39)	1.73 (INR 147.97)	1.73 (INR 144.15)

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

Particulars	Foreign Currency Sensitivity	
	As at 31-03-2024	As at 31-03-2024
	INR	INR
2% Depreciation in INR		
Impact on P&L	9.82	9.57
Total	9.82	9.57
2% Appreciation in INR		
Impact on P&L	(9.82)	(9.57)
Total	(9.82)	(9.57)

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:

Sl. No.	Particulars	As at 31-03-2025	As at 31-03-2024
	Measured at Amortised cost		
(i) Financial Assets			
a.	Trade receivables	13,611.74	12,420.20
b.	Cash & Cash Equivalents and bank balances (Includes Margin Money Deposits)	1,038.96	2,028.87
c.	Other financial assets	1,137.50	1,812.12
	Total	15,788.20	16,261.19
(ii) Financial Liabilities			
	Measured at Amortised cost		
a.	Borrowings	1,860.44	2,807.58
b.	Trade payables	5,129.10	4,304.08
c.	Other financial liabilities	721.73	624.69
	Total	7,711.27	7,736.35

(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 31-03-2025			As at 31-03-2024		
	Within Twelve Months	After Twelve Months	Total	Within Twelve Months	After Twelve Months	Total
Borrowings	1,860.44	132.24	1,992.68	2,807.58	538.29	3,345.87
Trade payables	3151.50	1977.60	5129.10	1893.07	2411.01	4,304.08
Other financial liabilities	721.23	-	721.23	624.69	-	624.69

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, 2025 and March 31, 2024 comprise of the following: (Rs. in Lakhs)

Particulars		As at 31-03-2025	As at 31-03-2024
A	Deferred Tax Liability / Asset		
	Related to fixed assets	(7.78)	3.25
B	Deferred Tax Assets		
	Disallowance under the Income tax Act, 1961	207.71	209.89
C	Deferred tax (Liability)/Asset (net)	199.93	213.14

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:

Particulars	As at 31-03-2025	As at 31-03-2024
Principal amount remaining unpaid	-	-
Delayed payments due as at the end of each accounting year on account of Principal	-	-
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.	-	-
Interest accrued and remaining unpaid as at March 31	-	-
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.	-	-

35. Corporate Social Responsibility 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 2024-25	FY 2023-24
Gross Amount required to be spent during the year	-	-
Earlier Years	-	0.37
Amount spent during the year in Cash		
i) On Construction / acquisition of any asset	-	Nil
ii) On purposes other than (i) above	-	0.37
Unspent Amount	-	-

The Corporate Social Responsibility (CSR) Policy and CSR Committee have been constituted in accordance with Section 135 of the Companies Act, 2013, and the rules made thereunder. The details of the CSR Committee are provided in the Corporate Governance Report. As per the audited financial statements, the average net profit of the preceding three financial years amounts to Rs. 1,80,20,629/-"

Accordingly, the CSR budget, being 2% of the average net profits, is Rs. 3,60,413/-, which is required to be spent for FY 2024-25 by the end of FY 2025-26.

36. Earnings Per Share

Particulars	FY 2024-25	FY 2023-24
Net Profit After Tax (Rs in lakhs)	941.49	391.45
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.)	7.52	3.13

37. Disclosures of shareholding of Promoters and promoters

Shares held by Promoters at the end of the year 31 March 2025					As at 31 March 2024	
S. No.	Name of the Promoter and Promoter Group	No of shares held (in lakhs)	% of total shares	% change during the year	No of shares held (in lakhs)	% out of number of shares of the company
1	Tummala Gopichand	11.97	9.56%	-	11.97	9.56%
2	Tummala Pavana Devi	5.75	4.59%	-	5.75	4.59%

3	Tummala Madhu Mitra	8.41	6.72%	-	8.41	6.72%
4	Tummala Rajasekhar	28.25	22.58%	-	28.25	22.58%
5	Tummala Bapaiah Chawdary	0.93	0.74%	-	0.93	0.74%
6	Tummala Tulsi Rani	0.54	0.44%	-	0.54	0.44%
7	N. Sri Durga	2.27	1.81%	-	2.27	1.81%
8	Tummala Seetaramamma	1.37	1.09%	-	1.37	1.09%

38. Ratios for the years ended March 31st2025 and March 31st2024 are as follows:

	Particulars	Numerator	Denominator	31.03.2025	31.03.2024	Variance
a)	Current Ratio	Current assets	Current liabilities	2.01	1.95	2.94%
b)	Debt-Equity ratio	Total Debt	Shareholders' equity	0.16	0.30	(77.43%)
c)	Debt service coverage ratio	Earnings available for debt service	Debt service	2.00	2.74	51.89%
d)	Return on equity ratio	Net Profit after taxes	Equity	0.08	0.03	120.81%
e)	Inventory turnover ratio	Turnover	Closing Inventory	-	1789.88	(100%)
f)	Trade receivable turnover ratio	Turnover	Closing Receivables	0.75	0.65	16.74%
g)	Trade payable turnover ratio	Purchases	Closing Payables	-	-	0.00%
h)	Net capital turnover ratio	Net Sales	Working Capital	1.21	1.02	19.06%
i)	Net profit ratio	Net profit after Tax	Net Sales	0.09	0.05	88.64%
j)	Return on capital employed ratio	Earnings Before Interest & Taxes	Capital employed	0.11	0.06	76.13%
k)	Return on Investment	Net income	Value of equity at the beginning	0.08	0.04	130.48%

39. Trade Receivables

S.No.	Particulars	TOTAL	< 6 M	6 M - 1 Y	1 - 2 y	2 - 3 y	> 3 Y
1	APSFL-AMC-PT	5,06,20,398	-	-	-	-	5,06,20,398
2	APSFL-Mis- works	64,67,085	-	-	-	-	64,67,085
3	Bharat Electronics Limited- Bhoomi (BEL)	4,86,22,343	4,86,22,343				
4	Davanagere Smart City Limited	3,17,54,018	3,17,54,018	-	-	-	-
5	Davanagere Smart Schools	67,29,823	67,29,823	-	-	-	-
6	DVVNL UPPCL	12,86,43,106	12,86,43,106	-	-	-	-
7	GST Suvidha	2,81,188	2,24,200	56,988	-	-	-
8	Jharkhand Project (JAPIT)	7,74,04,589	-	-	-	7,74,04,589	-
9	Maharashtra IT Corporation Ltd	13,50,452	5,48,363	7,03,730	98,359	-	-
10	Microcare Computers Pvt Ltd	14,09,563	14,09,563	-	-	-	-
11	Odisha Power Transmission Corporation Ltd.,(OPTCL)	4,79,57,719	4,79,57,719	-	-	-	-
12	PVVNL UPPCL	10,48,23,337	10,48,23,337	-	-	-	-
13	Sitra Infotech Private Limited	2,04,012	2,04,012	-	-	-	-
14	WBSEDCL Order Oct 20 to Sep 23	7,17,89,642	7,17,89,642	-	-	-	-
15	APSFL- BBNL	41,77,40,586	-	-	-	-	41,77,40,586
16	APSFL- O&M Service	42,99,99,259	-	-	-	-	42,99,99,259
	Grand Total	142,57,97,120	44,27,06,126	7,60,718	98,359	7,74,04,589	90,48,27,328

40. Unbilled dues from the clients:

S.No.	Particulars	TOTAL	< 6M	6M- 1Y	1-2Y	2-3Y	>3Y
1	Unbilled Receivable BEL	5,82,78,325	5,82,78,325				
2	Unbilled Receivable Odisha BBNL AMC	1,22,80,460	1,22,80,460				
3	Unbilled Receivable TVSSCL	3,86,25,873				3,86,25,873	
	Total	10,91,84,658	7,05,58,785	-	-	3,86,25,873	-

41. Trade Payables

S.No.	Particulars	TOTAL	<1Y	1-2Y	2-3Y	>3Y
1	Aabmatica Technologies Pvt Ltd	28,417			28,417	
2	Altice Labs, S.A	3,43,25,798				3,43,25,798
3	Amilion Technologies Pvt Ltd	8,53,01,967			8,53,01,967	
4	Amnrex Infotechnologies Pvt,Ltd.,	16,92,676	16,92,676			
5	BVM IT Consulting Services India Pvt Ltd- Sub Cont.	2,77,721	2,77,721			
6	Foregee Infotech- Setu Nashik	8,17,230	5,77,058	2,40,172		
7	Hiliks Technologies Limited	2,37,51,764	2,37,51,764			
8	KASH IT Solutions Ltd	2,24,60,364	2,24,60,364			
9	Karthik Informatics Private Limited	23,91,755	23,91,755			
10	Luminex Technosys Private Limited	1,23,30,158	1,23,30,158			
11	Prakash Electricals	15,282	15,282			
12	Praptham Tech Solutions Pvt Ltd	33,46,120			33,46,120	
13	Raja Enterprises	21,28,757				21,28,757
14	Tejas Networks Limited	36,60,722	36,60,722			
15	TVS Supply Chains Solutions Ltd	6,50,13,469	1,93,815	6,41,150	1,30,01,557	5,11,76,947
16	Unbilled Subcontracting expenses payable BEL	5,47,83,855	5,47,83,855			
17	Vaibhu Infra Tech India Pvt Ltd- UPPCL	19,29,79,472	19,29,79,472			
18	Vallabhaneni Constructions Pvt Ltd (Cr)	75,68,645				75,68,645
19	Vizion Computers	35,688	35,688			
	TOTAL	51,29,09,859	31,51,50,329	8,81,322	10,16,78,061	9,52,00,147

As per our report of even date attached

For Narven Associates

Chartered Accountants
FRN: 005905S

T. Madhu Mitra

Whole Time Director
DIN: 07124242

T. Gopichand

Chairman & Managing Director
DIN: 00107886

CA. G V Ramana

Partner
M.No: 025995

Place: Hyderabad
Date: 16/05/2025

D. Pravallika

Chief Financial Officer

Ch. Mallikarjuna

Company Secretary
M.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.
 Mobile: +91-9949604854, 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.:	DP ID:
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 31st Annual General Meeting of the Company, to be held on Friday, September 26, 2025 at 04:00 pm at the Registered Office of the Company at # 8-2-293/82/A/1107, Plot No. 1107, Road No.55, Jubilee Hills, Hyderabad-500033, 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 and Consolidated Financial Statements of the Company for the Financial Year ended March 31, 2025, together with the Reports of the Board of Directors and Auditors thereon.
2	To declare dividend on Equity Shares (Rs.1/- per equity Share).
3	To consider and appoint a Director in place of Mr. Madhu Mitra Tummala (DIN: 07124242), who retires by rotation and being eligible, has offered himself for re-appointment.
Special Business	Ordinary Resolution
4	Approval of material Related Party Transactions with TS Innovations Private Limited.
5	Appointment of M/s RPR & Associates as Secretarial Auditors of the Company.
Special Business	Ordinary Resolution
6	Approval of an incentive to Mr. T. Madhu Mitra (DIN: 07124242), Whole-Time Director of the Company.
7	Approval to increase the remuneration of Mr. T. Madhu Mitra (DIN: 07124242), Whole-Time Director of the Company.
8	Approval of the Managerial Remuneration to be paid to Mr. Tummala Gopichand (DIN: 00107886), Chairman and Managing Director of the Company.
9	Re-appointment and to fix the remuneration of Mr. Tummala Gopichand as Chairman and Managing Director of the Company.
10	Approval of Remuneration to Mr. T. Gopichand, Chairman & Managing Director and Mr. T. Madhu Mitra, Whole-Time Director of the Company, in excess of limits prescribed under regulation 17(6)(e) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.
11	Approval for overall Borrowing Limits under Section 180(1)(c) of the Companies Act, 2013.
12	Approval under Section 180(1)(a) of the Companies Act, 2013 inter alia for creation of mortgage or charge on the assets, properties or undertaking(s) of the company.
13	Approval to advance any loan/give guarantee/provide security Under section 185 of the companies act, 2013.

Signed this _____ day of _____, 2025

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

Registered Office: # 8-2-293/82/A/1107, Plot No. 1107, Road No.55, Jubilee Hills,
 Hyderabad-500033, Telangana, India. Mobile: +91-9949604854
 Website: www.terasoftware.com, Email: companysecretary@terasoftware.in

ATTENDANCE SLIP

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

31st Annual General Meeting held on September 26, 2025

Full name of the members attending: _____

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

I hereby record my presence at the 31st Annual General Meeting of Tera Software Limited held on Friday, September 26, 2025 at 04:00 pm at the Registered Office of the Company at # 8-2-293/82/A/1107, Plot No. 1107, Road No.55, Jubilee Hills, Hyderabad-500033, Telangana, India.

 (Member's /Proxy's Signature)

Note:

- Members are requested to bring their copies of the Annual Report to the meeting, since further copies will not be available.
- 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.
- A Proxy need not be a member of the Company.
- The submission by a member of this form of proxy will not preclude such member from attending in person and voting at the meeting.
- 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.
- 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 31st Annual General Meeting is attached with notice.

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.
Mobile: +91-9949604854, Website: www.terasoftware.com, Email: companysecretary@terasoftware.in

Form No.MGT-12
POLLING PAPER

(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 - 500 033, Telangana, India		
Name of the member(s)			
Registered Address			
E-mail Id			
Folio No./Client ID		DP ID	
Number of Equity shares held			

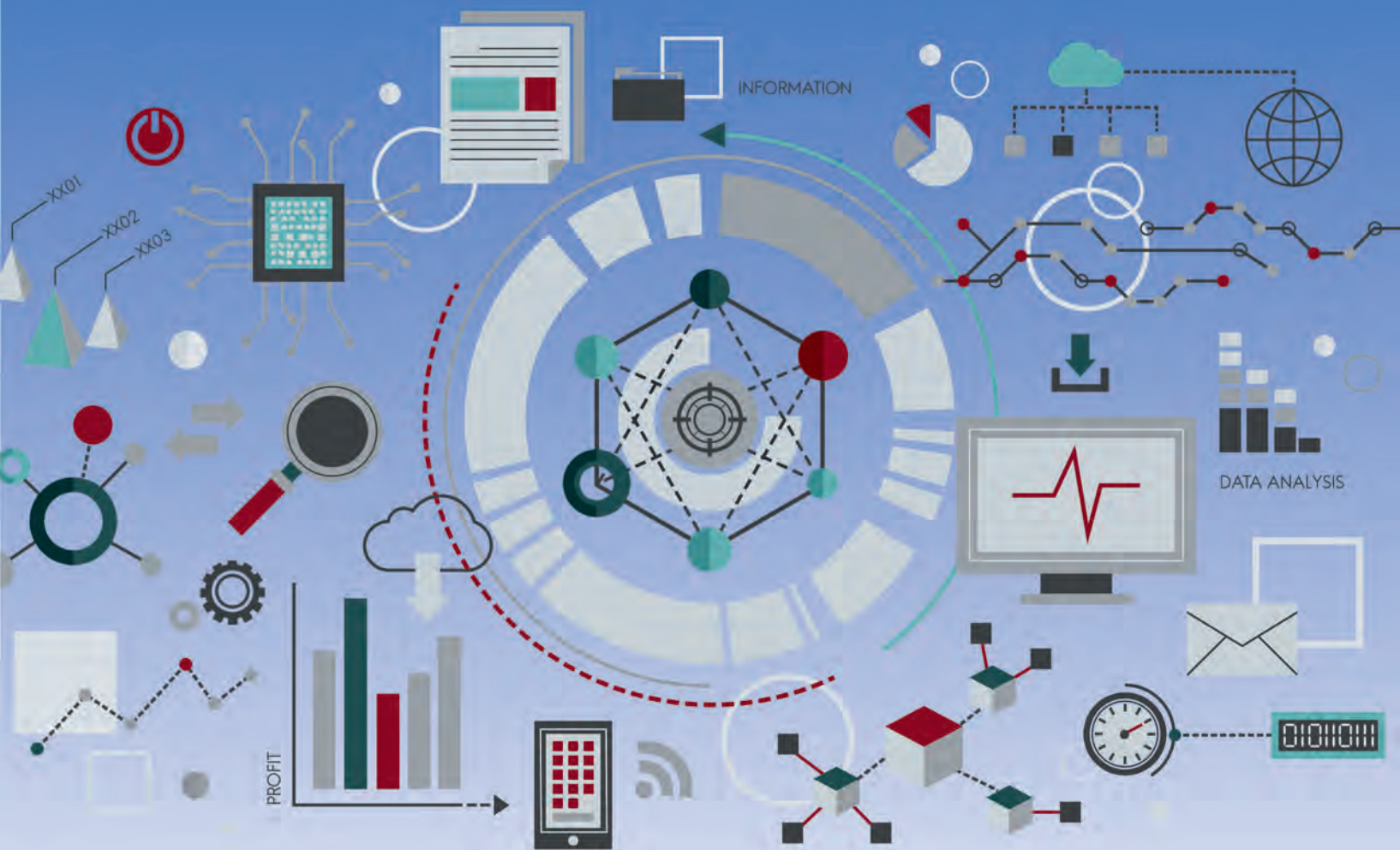
In respect of 31st Annual General Meeting of Tera Software Limited held on Friday, September 26, 2025 at 04:00 pm at the Registered Office of the Company at # 8-2-293/82/A/1107, Plot No. 1107, Road No.55, Jubilee Hills, Hyderabad-500033, Telangana, India. I hereby exercise my vote in respect of Ordinary / 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 and Consolidated Financial Statements of the Company for the Financial Year ended March 31, 2025, together with the Reports of the Board of Directors and Auditors thereon.		
2	To declare dividend on Equity Shares (Rs.1/- per equity Share).		
3	To consider and appoint a Director in place of Mr. Madhu Mitra Tummala (DIN: 07124242), who retires by rotation and being eligible, has offered himself for re-appointment.		
Special Business	Ordinary Resolution		
4	Approval of material Related Party Transactions with TS Innovations Private Limited.		
5	Appointment of M/s RPR & Associates as Secretarial Auditors of the Company.		
Special Business	Ordinary Resolution		
6	Approval of an incentive to Mr. T. Madhu Mitra (DIN: 07124242), Whole-Time Director of the Company.		
7	Approval to increase the remuneration of Mr. T. Madhu Mitra (DIN: 07124242), Whole-Time Director of the Company.		
8	Approval of the Managerial Remuneration to be paid to Mr. Tummala Gopichand (DIN: 00107886), Chairman and Managing Director of the Company.		
9	Re-appointment and to fix the remuneration of Mr. Tummala Gopichand as Chairman and Managing Director of the Company.		
10	Approval of Remuneration to Mr. T. Gopichand, Chairman & Managing Director and Mr. T. Madhu Mitra, Whole-Time Director of the Company, in excess of limits prescribed under regulation 17(6)(e) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.		
11	Approval for overall Borrowing Limits under Section 180(1)(c) of the Companies Act, 2013.		
12	Approval under Section 180(1)(a) of the Companies Act, 2013 inter alia for creation of mortgage or charge on the assets, properties or undertaking(s) of the company.		
13	Approval to advance any loan/give guarantee/provide security Under section 185 of the companies act, 2013.		

Place: Hyderabad

Date:

(Signature of the Shareholder / Proxy)



TERA SOFTWARE LIMITED

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