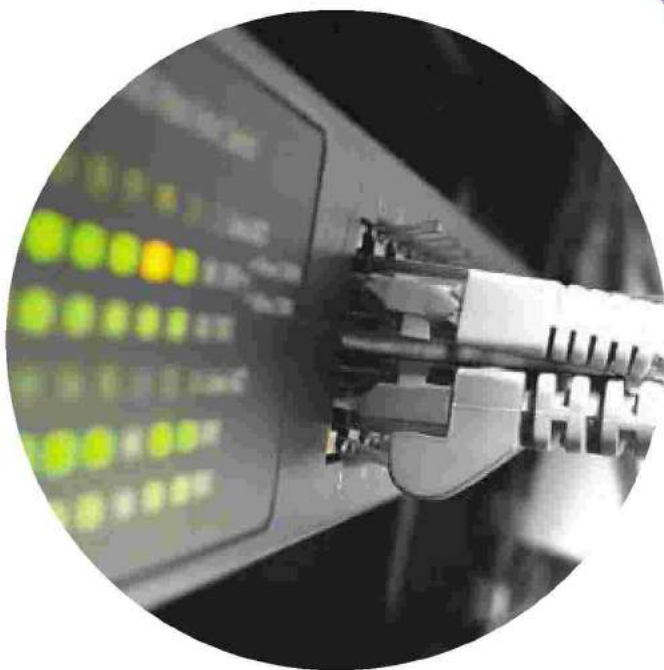


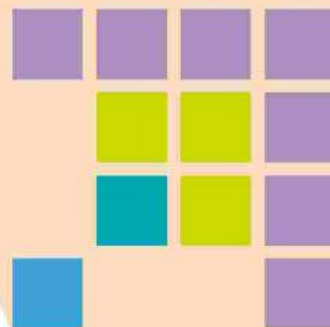
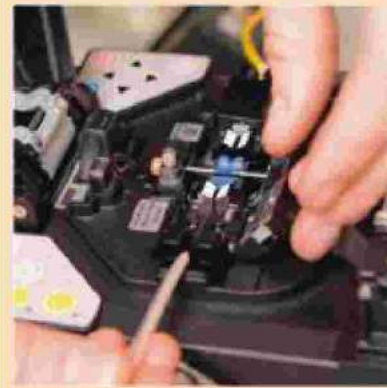


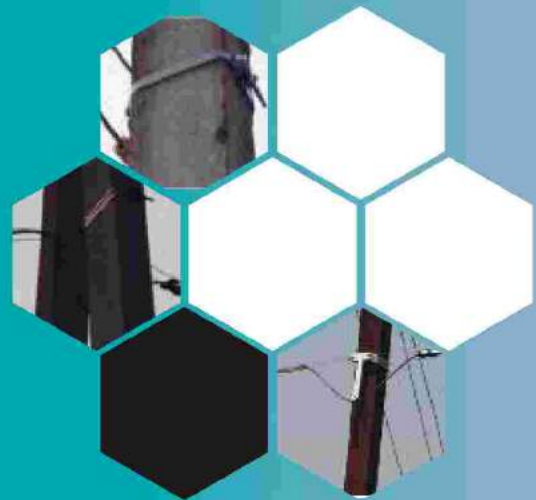
TERA SOFTWARE LIMITED

Annual Report

2018-19







Letter from the Managing Director

Dear Stakeholders,

It is my privilege to write to you on this occasion as we celebrate the 25th anniversary of **TERASOFT**. It is a matter of immense pride that Your Company has bagged projects worth Rs. 1200 Crores in the silver jubilee year of its life. Over the past two and half decades, your Company has emerged from each cycle of technology change - from mainframes to the digital era - stronger, with bigger footprints across markets with more capabilities, solutions and customers. We strive to create niche and set standards for technology.

With the introduction of the Digital India Mission, State Governments are opening new doors for transforming states into digital. On the supply side, the main aim is to ensure that digital facilities become available to every person in the state.

Your company operates in 22 states of India. As technology is infused into every aspect of business and society today, its power to disrupt has only magnified the process of creative destruction. Against this backdrop, your Company's strong growth and customer impact over the last five decades in a dynamic global industry to emerge as a leader in its field is a worthy achievement.

Your Company was appointed as Project Implementation Agency for Government's prestigious project Bharat-Net Phase-II works to establish Optical Fiber Network Infrastructure in the state of Andhra Pradesh.

Your Company is a **"System Integrator Agency"** for implementation of **SMART CITY MISSION (SCM)** in Davanagere for setup of Command and Control Centre /Satellite Command and Control Centre at the city level and also for the implementation of city specific applications.

The Company was L1 bidder and was selected as Project Implementation Agency under BharatNet Phase-II in the state of Odisha. We have received a work contract worth Rs. 486.39 Crores for survey, planning, design, engineering, installation & commissioning of OFC GPON network.

Your Company is an empanelled vendor with Andhra Pradesh State Fiber Net Limited (APSFL) for delivering the Last Mile Internet Services to the Government Institutions in the state of Andhra Pradesh.

Your Company executed UIDAI Project in 4 Metro Cities (Delhi, Mumbai, Kolkata, and Chennai). Your Company started Permanent Aadhaar Centres in the Country and the First Company to have started E-Aadhaar roll-outs as well as corrections/ modifications of the Aadhaar Enrolments. Tera Software is positioned 4th in the country in terms of AADHAR & NPR enrolments.

Your Company has acquired the knowledge base in delivering the triple play services, CCTV surveillance and going forward focused to bring the affordable technology to build SMART working place, SMART offices and SMART houses by deploying IOT related infrastructure.

Your Company has also integrated NPR with UIDAI and thereby had developed and generated new software called Linker Software to enable the citizens to rollout the National Identity Card in future.

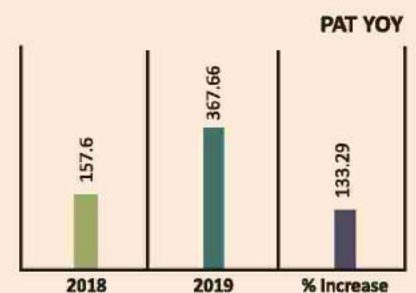
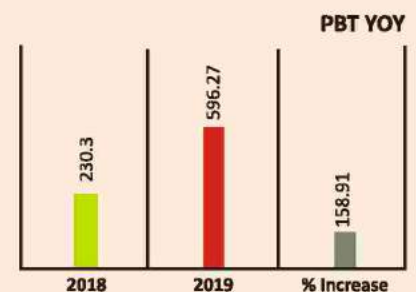
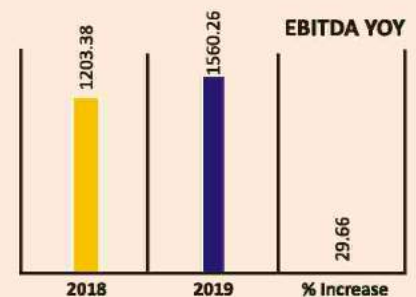
Your Company has acquired ISO 9001:2008 Certification, ISO/IEC 20000-1:2011 certification, ISO/IEC 27001:2013 certification.

Best Wishes,

T. Gopichand

Vice Chairman and Managing Director

Financial Highlights

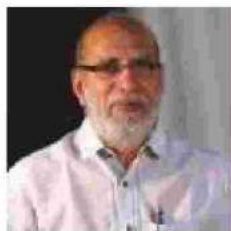


Index



CONTENTS	Page No
Notice	1
Directors' Report	8
Management Discussion & Analysis	12
Corporate Governance Report	15
Secretarial Audit Report	27
Independent Auditors' Report	30
Balance Sheet	38
Statement of Profit & Loss	39
Cash Flow Statement	40
Significant Accounting Policies	41
Notes on Financial Statements	47
Attendance & Proxy Form	61

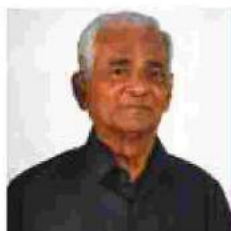
Board of Directors



Sri. Koteswara Rao SSR
Chairman



Padma Shri
Dr. T. Hanuman Chowdary
Director



Sri. R.S. Bakkannavar
Director



Sri. T. Bapaiah Chowdary
Director



Dr. T.V. Lakshmi
Director



Smt. T. Pavana Devi
Director



Sri. T. Gopichand
Vice-Chairman & Managing Director

Board of
Directors



Corporate Information

Tera Software Limited

Registered Office

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

Statutory Auditors

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

Registrar & Transfer Agents

Karvy Fintech Private Limited
Karvy Selenium Tower-B, Plot No. 31 & 32
Financial District, Gachibowli,
Nanakramguda, Hyderabad-500008.
Phone No: +91-040-67161500
Toll Free No: 1800 345 4001
Email: einward.ris@karvy.com
Website: www.karvyfintech.com

Secretarial Auditors

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

Bankers

Bank of Maharashtra
Basheerbagh Branch,
Hyderabad-500029

Canara Bank

Prime Corporate Branch
TSR Complex, S P Road,
Secunderabad-500003

Company Secretary & Compliance Officer

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



BOARD AND COMMITTEES

TERA SOFTWARE LIMITED



Board of Directors

Sri. Koteswara Rao SSR
Chairman and Independent Director

Sri. T. Gopichand
Vice-Chairman & Managing Director

Padma Shri Dr. T. Hanuman Chowdary
Independent Director

Sri. R.S. Bakkannavar
Independent Director

Dr. T.V. Lakshmi
Independent Director

Sri. T. Bapaiah Chowdary
Non-Executive Director

Smt. T. Pavana Devi
Non-Executive Director

Executive Officers

Oduru Babu Reddy
Chief Financial Officer

Shabnam Siddiqui
Company Secretary

Board Committees

Audit Committee

Sri. R.S.Bakkannavar
Chairman

Dr. T. Hanuman Chowdary

Sri. Koteswara Rao SSR

Nomination & Remuneration Committee

Dr. T. Hanuman Chowdary
Chairman

Dr. T.V. Lakshmi

Sri. T. Bapaiah Chowdary

Corporate Social Responsibility Committee

Dr. T. Hanuman Chowdary
Chairman

Sri. R. S. Bakkannavar

Smt. T. Pavana Devi

Sri. T. Gopichand

Stakeholders Relationship Committee

Sri. T. Bapaiah Chowdary
Chairman

Dr. T.V. Lakshmi

Smt. T. Pavana Devi



NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the Twenty Fifth (25th) Annual General Meeting of the members of Tera Software Limited will be held on **Thursday, 26th September, 2019 at 11:00 AM** at Jubilee Hills International Centre, Road No. 14, Jubilee Hills, Hyderabad, Telangana 500033, to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Standalone Balance Sheet as at March 31, 2019, Statement of Profit and Loss for the financial year ended on March 31, 2019, Cash Flow Statement for the financial year ended March 31, 2019 and reports of Directors and Auditors thereon.
2. To appoint a Director in place of Mrs. Tummala Pavana Devi, Director (DIN: 00107698), who retires by rotation and being eligible, offers herself for re-appointment.

"RESOLVED THAT Mrs. Pavana Devi Tummala (DIN: 00107698) who retires by rotation at this Annual General Meeting be and is hereby re-appointed as a Director of the Company and that her period of office be liable to retire by rotation."

Special Business:

3. To re-appoint Dr. Hanuman Chowdary Tripuraneni (DIN: 00107006 AGE: 87) as an Independent Director and in this regard 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 149 and 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") and the Companies (Appointment and Qualification of Directors) Rules, 2014 and Regulation 17(1A) of SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), Dr. Hanuman Chowdary Tripuraneni (DIN: 00107006 AGE:87), who was appointed as an Independent Director on 30th September, 2014 and who holds office of Independent Director up to the conclusion of this Annual General Meeting and being eligible, be and is hereby re-appointed as an Independent Director of the Company, not liable to retire by rotation and to hold office for a second term of 5 (five) consecutive years on the Board of the Company."

4. To re-appoint Mr. Ramalingappa Shivabasappa Bakkannavar ((DIN: 00108720 AGE:77 years) as an Independent Director and in this regard 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 149 and 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") and the Companies (Appointment and Qualification of Directors) Rules, 2014 and Regulation 17(1A) of SEBI (Listing Obligations and Disclosure Requirements)

(Amendment) Regulations, 2018 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), Mr. Ramalingappa Shivabasappa Bakkannavar (DIN: 00108720 AGE:77 years), who was appointed as an Independent Director on 30th September, 2014 and who holds office of Independent Director up to the conclusion of this Annual General Meeting and being eligible, be and is hereby re-appointed as an Independent Director of the Company, not liable to retire by rotation and to hold office for a second term of 5 (five) consecutive years on the Board of the Company."

5. To re-appoint Mr. Surapaneni Sree Rama Koteswara Rao (DIN: 00964290 AGE: 76) as an Independent Director and in this regard 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 149 and 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") and the Companies (Appointment and Qualification of Directors) Rules, 2014 and Regulation 17(1A) of SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), Mr. Surapaneni Sree Rama Koteswara Rao (DIN: 00964290 AGE:76), who was appointed as an Independent Director on 30th September, 2014 and who holds office of Independent Director up to the conclusion of this Annual General Meeting and being eligible, be and is hereby re-appointed as an Independent Director of the Company, not liable to retire by rotation and to hold office for a second term of 5 (five) consecutive years on the Board of the Company."



6. To re-appoint Mrs. Thozuvanoor Vellat Lakshmi (DIN: 00003020 AGE: 60) as an Independent Director and in this regard 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 149 and 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 (“the Act”) and the Companies (Appointment and Qualification of Directors) Rules, 2014 and Regulation 17(1A) of SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), Mrs. Thozuvanoor Vellat Lakshmi (DIN: 00003020 AGE:60), who was appointed as an Independent Director on 30th September, 2014 and who holds office of Independent Director up to the conclusion of this Annual General Meeting and being eligible, be and is hereby re-appointed as an Independent Director of the Company, not liable to retire by rotation and to hold office for a second term of 5 (five) consecutive years on the Board of the Company.”

Date : 24.05.2019
Place : Hyderabad

By Order of the Board of Directors
Tera Software Limited

Sd/-
(T. Gopichand)
Vice Chairman and Managing Director
DIN: 00107886