TERA SOFT
Redefining IT Solutions

ANNUAL REPORT
2025-26

TERA SOFTWARE LIMITED

EMPOWERING GOVERNANCE THROUGH DIGITAL TRANSFORMATION

DELIVERING INNOVATIVE, SCALABLE, AND SECURE TECHNOLOGY SOLUTIONS ACROSS INDIA.

BOARD OF DIRECTORS

Sri. T. Gopichand
Chairman & Managing Director

Sri. T. Madhu Mitra
Whole-Time Director

Prof. Dr. Braja Bandhu Nayak
Independent Director

Smt. V. Usha Rani
Independent Director

Sri. A. Veera Brahma Rao
Independent Director

Sri. T. Bapaiah Chowdary
Non-Executive Director

Senior Management

Sri. T. Rajasekhar
Vice President

Sri. Ch. Mallikarjuna
Company Secretary

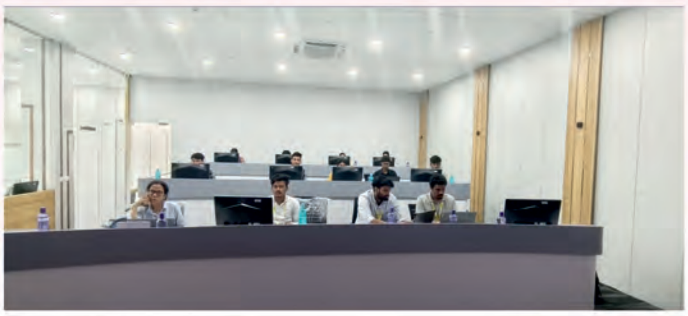
BSNL BharatNet Middlemile Network Project

HDD Trenching Works - Field Staff

BSNL BharatNet Middlemile Network Project

HDD Trenching Works - Field Staff

BSNL BharatNet Middlemile Project - Monitoring Team



West Bengal - S-NoC UPS Room

CSR PROJECT – DEVELOPMENT ACTIVITIES AT RYTHU BHAROSA KENDRA / MPP SCHOOL, TELUGURAO PALEM, GHANTASALA MANDAL (FY 2024–25)

As part of its Corporate Social Responsibility (CSR) commitment, the Company undertook development activities at the Rythu Bharosa Kendra / MPP School, Telugurao Palem, Ghantasala Mandal, Krishna District, Andhra Pradesh, under its CSR Programme for FY 2024–25.

The project was approved by the CSR Committee and the Board of Directors with the objective of improving basic infrastructure and supporting educational and community welfare needs in the local area. The development activities included repair/re-construction of roof, whitewashing, and allied infrastructure improvement works at the school premises.

The project aligns with the permissible activities under Schedule VII of the Companies Act, 2013, particularly in the areas of promotion of education, rural development, and community welfare.

The Company's CSR obligation for FY 2024–25 amounting to ₹3,60,413/- was fully spent during FY 2025–26, on or before March 31, 2026, towards the above development works, thereby contributing to the enhancement of educational facilities and community infrastructure for the benefit of students, farmers, and residents of the village.

Before project undertaken

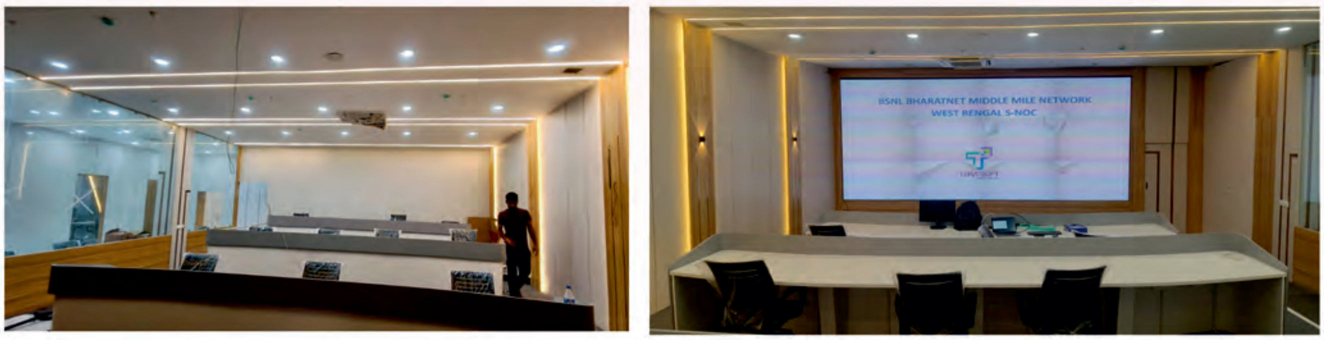
After Project completion:

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)

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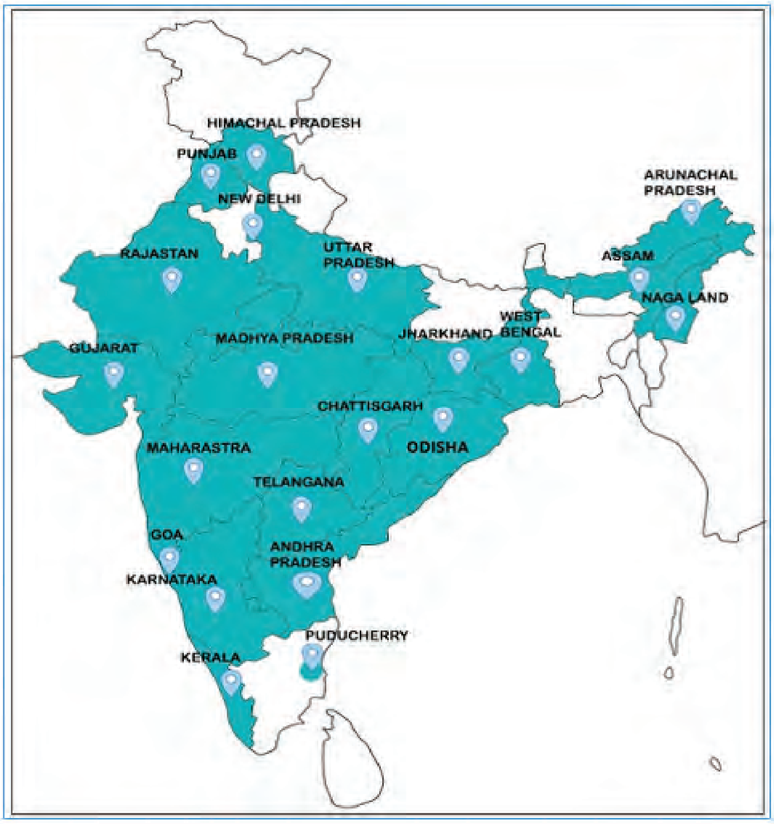
CORPORATE OVERVIEW

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 Information Technology-enabled solutions. Over the past three decades, the Company has played a significant role in supporting the digital transformation initiatives of various Central and State Governments by delivering technology-driven solutions that enhance transparency, accountability, operational efficiency, and citizen-centric governance.

With operations across 22 States in India, TSL has established itself as a trusted technology partner for Government Departments, Public Sector Undertakings, and other public institutions. The Company has successfully executed large-scale projects in diverse domains including Sales Tax/GST, Public Distribution System, Land Registration, Road Transport, Aadhaar, National Population Register (NPR), Electricity Billing, Smart Metering, Smart Cities, FiberNet Infrastructure, and IT Infrastructure Management.

TSL continues to maintain its unique position as a pure-play Indian e-Governance company, offering comprehensive end-to-end solutions encompassing project conceptualization, design, development, implementation, system integration, operations & maintenance, and facility management services.



Geographical Presence

The Company has an extensive operational footprint across several States, including Maharashtra, Karnataka, Jharkhand, Kerala, West Bengal, Delhi (NCT), Gujarat, Himachal Pradesh, Rajasthan, Goa, Nagaland, Puducherry, Madhya Pradesh, Uttar Pradesh, Assam, Andhra Pradesh and Odisha, enabling it to deliver technology solutions across diverse geographical and administrative environments.

Service Portfolio

The Company's diversified portfolio of technology-enabled services includes:

- Public Distribution System (Ration Cards)
- Sales Tax Automation (e-Challans)
- Registration and Digitization of Land Records
- Road Transport & Vehicle Registration Systems
- Total Revenue Management & Spot Billing Solutions
- FiberNet Infrastructure Development
- Modern Record Room Solutions
- Aadhaar Enrolment & National Population Register (NPR)
- IT Infrastructure & Facility Management Services for Government Departments
- Smart Metering Solutions
- Smart Cities Mission Projects
- BharatNet Integration and Operation

Major Ongoing Projects & Key Business Highlights:

Odisha BharatNet Phase-II Project (₹496.08 Crore):

Completed the survey, design, supply, installation, integration, testing and commissioning of the Optical Fibre Cable (Aerial) GPON Network covering approximately 20,427 kilometres across 3,065 Gram Panchayats in the State of Odisha. The project also includes Comprehensive Annual Maintenance Contract (AMC) for a period of five years commencing from 2022.

Davanagere Smart City Project, Karnataka (₹74.84 Crore)

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

Spot Billing System Projects – DISCOMs, Uttar Pradesh (₹600+ Crore)

The Company continues to execute and maintain Spot Billing System projects for various Distribution Companies (DISCOMs) in Uttar Pradesh:

- PVVNL: ₹169.66 Crore (Meerut, Saharanpur & Noida Zones – 2021 to 2024)
- DVVNL: ₹166.32 Crore (Agra-I, Agra-II & Aligarh Zones – 2021 to 2024)
- PUVVNL: ₹107.65 Crore (Azamgarh & Basti Zones – 2025 to 2027)
- DVVNL: ₹75.40 Crore (Agra, Firozabad & Kanpur-2 Zones – 2025 to 2027)
- MVVNL: ₹90.06 Crore (Lucknow, Devipatan & Raibareilly Zones – 2025 to 2027)

e-Mahabhoomi Project, Maharashtra (₹46.70 Crore)

Scanning and digitization of cadastral maps covering 19 districts for the Land Records Department, Government of Maharashtra, implemented through Bharat Electronics Limited (BEL) during the period 2022 to 2025.

Modern Record Rooms Project, Jharkhand (₹77.97 Crore)

Implementation of Modern Record Rooms through digitization of land and revenue records using Document Management Software, including supply, installation and commissioning of hardware infrastructure across 38 locations.

BSNL BharatNet Phase-III Middlemile Project (Consortium Value – ₹7,005.55 Crore)

The Company, in consortium with ITI Limited, Bengaluru, has been awarded the BSNL BharatNet Phase-III Middlemile Optical Fibre Cable (OFC) Network Project covering Himachal Pradesh, West Bengal and North-East Region-II for Design, Supply, Construction, Installation, Upgradation, Operation and Maintenance of Middle Mile Network of BharatNet on Design Build Operate and Maintain (DBOM) model.

TSL's share of the consortium project is ₹3,502.78 Crore, making it one of the largest projects undertaken by the Company and reinforcing its leadership in national digital infrastructure development.

Mission:

To deliver innovative and technology-driven solutions that empower Governments, enterprises and communities by enhancing efficiency, transparency and effectiveness in service delivery.

Vision:

To be a leading provider of digital governance and technology solutions, enabling inclusive growth and contributing to the nation's digital transformation journey.

Core Values:

- **Customer Focus:** Building long-term relationships through exceptional service and customer satisfaction.
- **Excellence:** Pursuing the highest standards of quality, professionalism and continuous improvement.
- **Integrity:** Conducting business with honesty, transparency and accountability.
- **Teamwork:** Fostering collaboration, mutual respect and an inclusive work culture.
- **Innovation:** Leveraging emerging technologies to deliver sustainable and future-ready solutions.

Quality Philosophy

Quality and customer satisfaction remain the cornerstone of Tera Software Limited's operations. The Company follows a robust quality assurance framework to ensure that every project is executed with reliability, scalability, security and adherence to applicable standards and best practices. This unwavering commitment to quality has enabled TSL to consistently deliver mission-critical e-Governance and digital infrastructure solutions, strengthening its reputation as a trusted technology partner for Government organizations 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)

Prof. Dr. Braja Bandhu Nayak
Independent Director
(DIN: 09702361)

Smt. V. Usha Rani
Independent Director
(DIN: 03601565)

Sri. A. Veera Brahma Rao
Independent Director
(DIN: 07540040)

Sri. T. Bapaiah Chowdary
Non-Executive Director
(DIN: 00107795)

Executive Officers (KMP)
(Otherthan MD & WTD)

Sri. G. Anil Kumar
Chief Financial Officer from 07-09-2026

Smt. D. Pravallika
Chief Financial Officer upto 30-06-2026

Sri. Ch. Mallikarjuna
Company Secretary &
Compliance Officer
(M.No. A47545)

Senior Management

Sri T. Rajasekhar
Vice President (Applications)

BOARD COMMITTEES

Audit Committee Members

Sri. A. Veera Brahma Rao (Independent Director), Chairman from 12-02-2026

Sri. Divakar Atluri, (Independent Director), Chairman upto 11-02-2026

Prof. Dr. Braja Bandhu Nayak (Independent Director), Member

Smt. V. Usha Rani (Independent Director), Member

Sri. T. Bapaiah Chowdary (Non-Executive Director), Member

Nomination & Remuneration Committee Members

Smt. V. Usha Rani (Independent Director), Chairperson

Prof. Dr. Braja Bandhu Nayak (Independent Director), Member

Sri. T. Bapaiah Chowdary (Non-Executive Director), Member

Stakeholders Relationship Committee Members

Sri. T. Bapaiah Chowdary (Non-Executive Director), Chairman

Prof. Dr. Braja Bandhu Nayak (Independent Director), Member

Sri. Divakar Atluri (Independent Director), Member up to 11-02-2026

Sri. A. Veera Brahma Rao (Independent Director), Member from 12-02-2026

Corporate Social Responsibility Committee Members

Prof. Dr. Braja Bandhu Nayak (Independent Director), Chairman

Sri. Divakar Atluri (Independent Director), Member up to 11-02-2026

Sri. T. Gopichand (Managing Director), Member

Sri. A. Veera Brahma Rao (Independent Director), Member from 12-02-2026

Debtors Review Committee (Sub-committee of Audit committee) Members

Sri. T. Gopichand (Managing Director), Chairman

Sri. Divakar Atluri (Independent Director), Member up to 11-02-2026

Prof. Dr. Braja Bandhu Nayak (Independent Director)

Sri. A. Veera Brahma Rao (Independent Director), Member from 12-02-2026

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

Sri. T. Gopichand (Managing Director), Chairman

Sri. Divakar Atluri (Independent Director), Member up to 11-02-2026

Sri. T. Madhu Mitra (Whole-Time Director), Member

Sri. A. Veera Brahma Rao (Independent Director), Member from 12-02-2026

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
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	26/09/2025
Company Status	Active
Jurisdiction	
ROC (name and office)	ROC Hyderabad
RD (name and Region)	RD-Hyderabad, South Eastern Region Directorate
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 32nd Annual General Meeting (AGM) of the Members of **Tera Software Limited ("the Company")** will be held on **Tuesday, the September 29, 2026 at 3:00 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, 2026, 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 March 31, 2026, together with the Reports of the Board of Directors and Auditors thereon, as circulated to the Members, be and are hereby received, approved and adopted."

Item No.2

To declare dividend on Equity Shares for the financial year ended March 31, 2026

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, 127 and other applicable provisions, if any, of the Companies Act, 2013, read with the Rules made thereunder, the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Articles of Association of the Company and other applicable laws, and based on the recommendation of the Board of Directors, a Final Dividend of ₹1.20/- (Rupee One and Twenty Paise only) per Equity Share of face value of ₹10/- each (i.e., 12%) for the Financial Year ended March 31, 2026 be and is hereby declared.

RESOLVED FURTHER THAT the said Final Dividend shall be paid to those Members whose names appear in the Register of Members and/or in the records of the Depositories as beneficial owners as on the Record Date Tuesday, September 22, 2026, in accordance with the applicable provisions of the Companies Act, 2013, the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other applicable laws.

RESOLVED FURTHER THAT Mr. T. Gopichand, Chairman & Managing Director, and Mr. Ch. Mallikarjuna, Company Secretary & Compliance Officer of the Company, be and are hereby severally authorized to do all such acts, deeds, matters and things as may be necessary or expedient to give effect to this Resolution, including the payment of the Final Dividend and compliance with all applicable statutory and regulatory requirements."

Item No.3

To re-appoint Mr. Bapaiah Chowdary Tummala (DIN: 00107795) as a Director liable to retire by rotation.

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, if any, of the Companies Act, 2013, read with the Rules made thereunder, the applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Articles of Association of the Company, Mr. Bapaiah Chowdary Tummala (DIN: 00107795), Non-Executive Director, who retires by rotation at this Annual General Meeting and, being eligible, has offered himself for re-appointment, be and is hereby re-appointed as a Director of the Company, liable to retire by rotation.

RESOLVED FURTHER THAT Mr. T. Gopichand, Chairman & Managing Director, and/or Mr. Ch. Mallikarjuna, Company Secretary & Compliance Officer of the Company, be and are hereby severally authorized to do all such acts, deeds, matters and things as may be necessary or expedient to give effect to this Resolution, including filing the necessary forms, returns and other documents with the Registrar of Companies, the Stock Exchanges and such other statutory or regulatory authorities as may be required."

SPECIAL BUSINESS:

Item No.4

To approve the remuneration payable to Mr. T. Rajasekhar, Vice President (Applications), holding an office or place of profit under Section 188(1)(f) of the Companies Act, 2013

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 188(1)(f) and other applicable provisions, if any, of the Companies Act, 2013, read with Rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014, the applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company's Policy on Related Party Transactions, the Articles of Association of the Company and other applicable provisions of law, including any statutory modification(s), amendment(s) or re-enactment(s) thereof for the time being in force, the consent of the Members of the Company be and is hereby accorded for the payment of a consolidated monthly remuneration of ₹2,57,000/- (Rupees Two Lakhs Fifty-seven Thousand Only) to Mr. T. Rajasekhar, son of Mr. T. Gopichand, Chairman and Managing Director of the Company, in connection with his holding the office or place of profit as Vice President (Applications) of the Company, with effect from February 11, 2027, together with the continuation of an annual increment of 10%, in accordance with the terms and conditions of his appointment.

RESOLVED FURTHER THAT the Board of Directors of the Company (which term shall be deemed to include any Committee thereof) and/or Mr. T. Gopichand, Chairman and Managing Director, and/or Mr. Ch. Mallikarjuna, Company Secretary & Compliance Officer, be and are hereby severally authorized to do all such acts, deeds, matters and things, including filing necessary forms, returns and documents with the Registrar of Companies, the Stock Exchanges and such other statutory or regulatory authorities as may be required, and to take all such actions as may be necessary or expedient to give effect to this Resolution."

By Order of the Board of Directors

Tummala Gopichand
Chairman & Managing Director
DIN: 00107886

Date: 11th August, 2026
Place: Hyderabad

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 11, 2026, has recommended dividend of Rs.1.20/- per equity share of the face value of Rs.10/- for FY 2025-26 for the approval of members at the ensuing thirty-second 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 Tuesday, September 22, 2026 as the 'Record Date' for the purpose of determining the members eligible to receive dividend for FY2025-26.
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 Wednesday, October 28, 2026, 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., Tuesday, September 22, 2026 (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 business stated at item no. 4 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. 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.

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, Boards' 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. Mohammed Shanoor
    Deputy Manager,
    KFin Technologies Limited
    Unit: Tera Software Limited
    Selenium Building, Tower-B,
    Plot No 31 & 32, Gachibowli 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 11, 2026 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 Tuesday, September 22, 2026 (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 Saturday 26, 2026 (9:00 a.m.) till Monday, September 28, 2026 (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:

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' Portal 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., Tuesday, September 22, 2026 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 query and/or grievance, in respect of voting by electronic means, Members may refer to the Help & Frequently Asked Questions ("FAQs") and e-Voting user manual available at the download section of https://evoting.kfintech.com ("KFintech Website") or contact Mr. Mohammed Shanoor, Deputy Manager of KFin Technologies Limited, Selenium, Plot 31 & 32, Gachibowli Financial District, Nanakamguda, Hyderabad-500 032 or at einward.ris@kfintech.com and evoting@ kfintech.com or call KFin's toll free no. 1800 309 4001 for any further clarifications.

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 • 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/appellate proceedings before the Tax/Government authorities.

28. Book Closure:

Pursuant to Section 91 of the Companies Act, 2013 and Regulation 42 of the SEBI (LODR) Regulations, 2015, the Register of Members and Share Transfer Books of the company will remain closed from Wednesday, September 23, 2026 to Tuesday, September 29, 2026 (both days inclusive) for the purpose of AGM.

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

To approve the remuneration payable to Mr. T. Rajasekhar, Vice President (Applications), holding an office or place of profit under Section 188(1)(f) of the Companies Act, 2013

Mr. T. Rajasekhar, son of Mr. T. Gopichand, Chairman and Managing Director of the Company, is a Related Party of the Company within the meaning of Section 2(76) of the Companies Act, 2013.

Mr. T. Rajasekhar was appointed as Vice President (Applications) of the Company with effect from February 11, 2025, on a consolidated monthly remuneration of ₹2,15,000/-, comprising monthly remuneration of ₹2,00,000/- and conveyance allowance of ₹15,000/-, together with an annual increment of 10%, in accordance with the terms and conditions of his appointment.

Accordingly, the consolidated monthly remuneration payable to Mr. T. Rajasekhar increased to ₹2,35,000/- with effect from February 11, 2026 and, upon application of the subsequent annual increment of 10%, stands increased to ₹2,57,000/- with effect from February 11, 2027.

Pursuant to the provisions of Section 188(1)(f) of the Companies Act, 2013 read with Rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014, the appointment of a Related Party to any office or place of profit in the Company, its subsidiary company or associate company at a monthly remuneration exceeding ₹2,50,000/- requires the prior approval of the Members of the Company by way of an Ordinary Resolution.

Since the consolidated monthly remuneration payable to Mr. T. Rajasekhar with effect from February 11, 2027 exceeds the prescribed threshold, the approval of the Members is being sought by way of an Ordinary Resolution.

The Nomination and Remuneration Committee and the Audit Committee have reviewed and recommended the proposal. Based on their recommendations, the Board of Directors has approved the proposal, subject to the approval of the Members at this Annual General Meeting.

In terms of the first proviso to Section 188(1) of the Companies Act, 2013 read with the applicable Rules made thereunder, no Member of the Company who is a Related Party shall vote on the Ordinary Resolution set out at Item No. 4 to approve the remuneration payable to Mr. T. Rajasekhar, Vice President (Applications), holding an office or place of profit under Section 188(1)(f) of the Companies Act, 2013.

Accordingly, the Related Party Members, including Mr. T. Gopichand, Mrs. T. Pavana Devi, Mr. T. Rajasekhar and Mr. T. Madhu Mitra, shall abstain from voting on the said Resolution, whether in person, through proxy, by authorised representative or through remote e-voting/ballot voting at the Annual General Meeting, in accordance with the applicable provisions of the Companies Act, 2013 and the Rules made thereunder.

The Board of Directors recommend the resolution set forth in Item no. 4 of the notice for your approval as an Ordinary 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
Name of the Director	Bapaiah Chowdary Tummala
Director Identification Number (DIN)	00107995
Date of Birth/Age	21-11-1957 (69 years)
Nationality	Indian
Date of appointment on the Board	01-11-1999
Educational Qualification	M. Com.,
Nature of Expertise in specific Functional Areas	He is a Businessman in Agri Industry.
Disclosure of relationships between directors inter-se	Not Applicable
	Mr. T. Bapaiah Chowdary is the brother of Mr. T. Gopichand, Chairman & Managing Director, and the paternal uncle (father's brother) of Mr. T. Madhu Mitra, Whole-Time Director, and Mr. T. Rajasekhar, Vice President (Applications).

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
Shareholding of non-executive directors in the listed entity, including shareholding as a beneficial owner	holding 92,676 equity shares @0.74%
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 Non-Executive Director

By Order of the Board of Directors

Tummala Gopichand
Chairman & Managing Director
DIN: 00107886

Date: August 11, 2026
Place: Hyderabad

BOARD'S REPORT

DEAR MEMBERS,

Your Directors have the pleasure in presenting the Thirty Second (32nd) Annual Report together with the Audited Financial Statements of your Company for the Financial Year ended March 31, 2026.

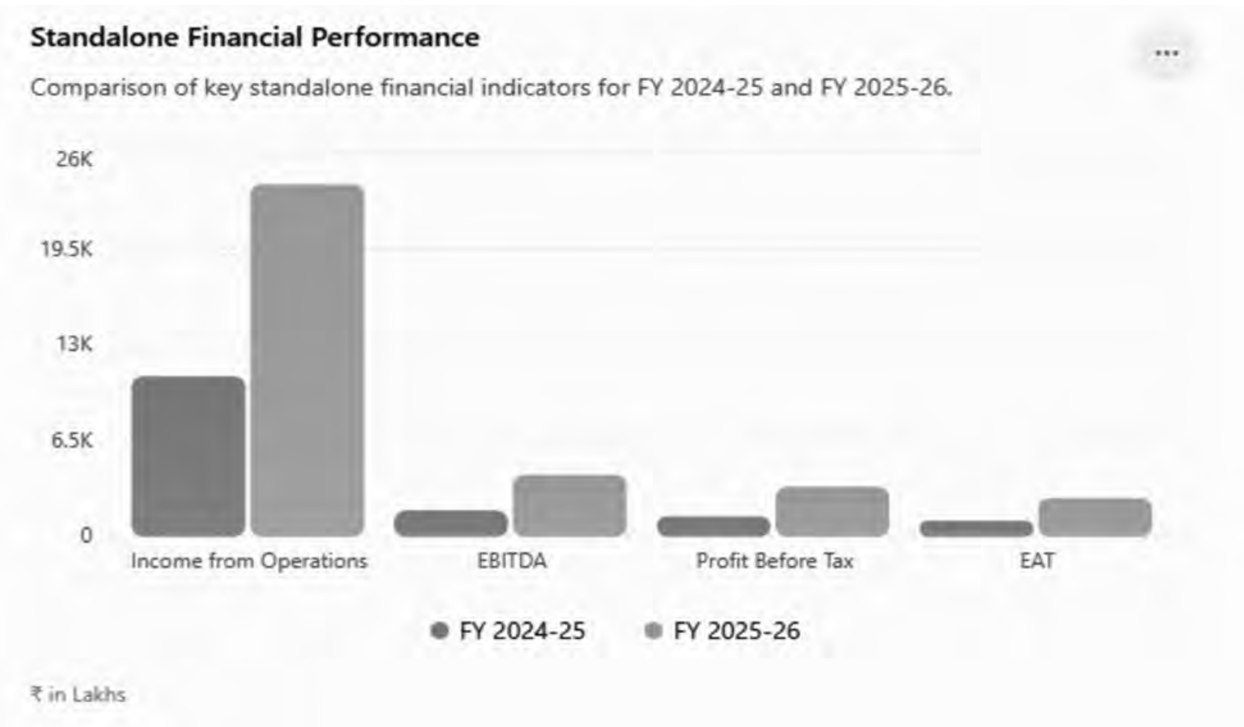
1. FINANCIAL PERFORMANCE

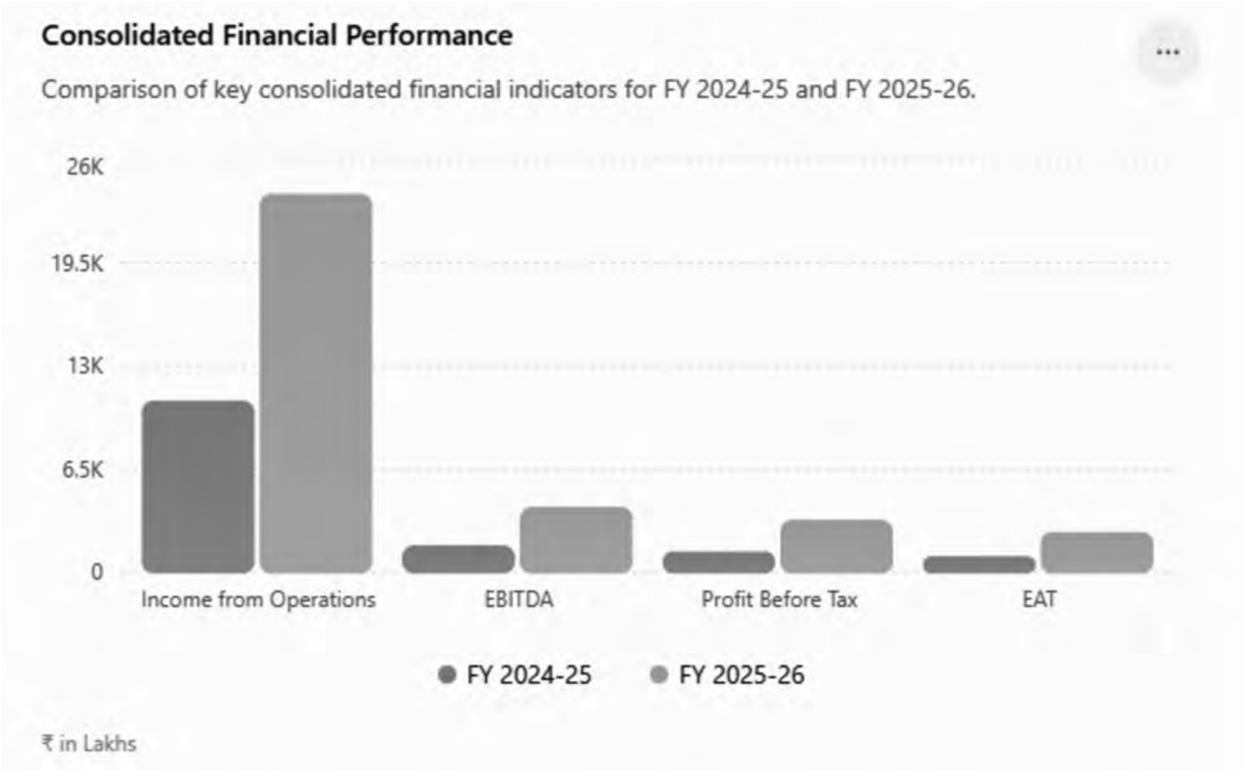
The financial statements have been prepared in accordance with Ind AS in terms of the provisions of Section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time.

(Rs. in Lakhs)

PARTICULARS	Standalone		Consolidated	
	Financial Year 2025-26	Financial Year 2024-25	**Financial Year 2025-26**	Financial Year 2024-25
Income from Operations	**23804.53**	10764.38	**23804.53**	10764.38
Oher Income	**392.99**	406.11	**392.99**	406.11
Total Income	**24197.52**	11170.49	**24197.52**	11170.49
EBITDA	**4063.43**	1634.97	**4063.04**	1634.38
Less: Finance Cost	**744.57**	379.18	**744.57**	379.18
EBTDA	**3318.86**	1255.79	**3318.47**	1255.2
Less: Depreciation	**70.83**	13.59	**70.83**	13.59
EBT	**3248.03**	1242.20	**3247.64**	1241.61
Less: Exceptional Items	**0.00**	4.26	**0.00**	4.26
Less: Tax Expenses	**767.56**	295.86	**767.56**	295.86
EAT (Earnings After Tax)	**2480.47**	942.08	**2480.07**	941.49
Profit/Loss carried to B/S	**2477.67**	995.89	**2477.28**	995.30
EPS (Basic & Diluted)	**19.82**	7.53	**19.82**	7.52

- Achieved a growth of 121% in operation performance
- Earnings After Tax (EAT) and Earnings Per Share (EPS) recorded a significant increase of 163%.





The Company recorded a strong improvement in financial performance during FY 2025-26 on both Standalone and Consolidated bases. Income from Operations increased by approximately 121%, while EBITDA increased by approximately 149% on the Standalone basis. Profit Before Tax and Earnings After Tax increased by approximately 161% and 163%, respectively. The Consolidated results followed a similar trend, with only marginal differences from the Standalone results.

STATE OF COMPANY'S AFFAIRS

The financial year 2025-26 represented a transitional year amid spread of generative artificial intelligence wherein data centres have become a critical part of infrastructure that supports a digital society and India's push to become the world's third largest economy by 2030, with a targeted GDP of over $ 7 trillion, underpinned by stepped up investment in infrastructure.

As the world is moving from efficiency driven globalisation to resilient driven globalisation, the Company is gearing up to adapt these changes, leveraging both local strength and global opportunities. The Company has diversified supply chains, trusted technology partnership, strong domestic capabilities and agility to serve customers across jurisdictions. At the same time, the Company continues to lay focus on improving operational resilience, prudent capital allocation, strengthening cash flows and building future-ready capabilities across high-growth infrastructure and technology-led sectors.

OPERATIONAL HIGHLIGHTS

During the financial year 2025–26, the Company recorded a significant increase in its Standalone Operational Revenue, which stood at Rs. 23804.53 Lakhs, as compared to Rs. 10764.38 Lakhs in the previous financial year. This growth reflects the strong operational performance and effective execution of strategic initiatives and reflecting the growth of 121%.

The Standalone Profit after Tax for the reporting year also demonstrated substantial improvement, rising to Rs. 2480.47 Lakhs from Rs. 942.08 Lakhs in the previous year, indicating enhanced operational efficiency and profitability and reflecting notable growth of 163%. There were no operations from its subsidiary company.

2. TRANSFER TO RESERVES

During the year under review, the Company has not transferred any amounts to the General Reserve. For complete details on movement in Reserves and Surplus during the financial year ended March 31, 2026, please refer to the 'Statement of Changes in Equity' included in the standalone and consolidated financial statements of the Annual report.

3. SHARE CAPITAL

The paid-up Equity Share Capital of the Company as at March 31, 2026 stood at Rs.12,51,18,750/-. During the year under review, the Company has neither issued shares with differential rights as to dividend voting or otherwise nor has granted stock options or sweat equity under any scheme. Further, none of the Directors of the Company holds investments convertible into equity shares of the Company as on March 31, 2026.

4. 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) and National Stock Exchange of India Ltd (NSE). The Annual listing fees of both the stock exchanges have been paid.

5. DIVIDEND

The Board of Directors, at its meeting held on August 11, 2026, has recommended a Final Dividend of 12% i.e. ₹1.20/- (Rupee One and Twenty Paise Only) per equity share of face value ₹10/- (Rupees Ten only) each, for the financial year ended on March 31, 2026, out of profits.

The recommended dividend amounts to a total payout of ₹1,50,14,250/- 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, 2026.

6. UNPAID DIVIDEND

The disclosure relating to year wise amount of unpaid/unclaimed dividend lying in the Unpaid Dividend account and the corresponding shares which are liable to be transferred to the Investor Education and Protection Fund (IEPF) and the due date of such transfer is provided in the Corporate Governance Report which forms a part of the Annual Report.

7. DEPOSITS/FINANCE

During the year under review, your Company has not accepted any public deposits within the meaning of Section(s) 73 to 76 of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014 and as such no amount on account of principal or interest on public deposits was outstanding as on the date of the Balance Sheet.

8. 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, Digitalisation of Records, Power bills distribution and collection of payments etc.,

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

There have been no material changes in the nature of business and commitments affecting the financial position of the Company between the end of the financial year under review and date of this Report.

Subsequent to the close of the financial year, the Company acquired the remaining 26% equity shares of TS Innovations Private Limited with effect from 13 June 2026, pursuant to which it became a Wholly-Owned Subsidiary of the Company.

10. SUBSIDIARY, JOINT VENTURE AND ASSOCIATE COMPANIES

During the year under review, TS Innovations Private Limited became a Wholly-Owned Subsidiary of the Company. At the beginning of the financial year, the Company held 74% of the equity share capital of TS Innovations Private Limited. The remaining 26% equity shares were acquired by the Company with effect from 13 June 2026, pursuant to which TS Innovations Private Limited became a Wholly-Owned Subsidiary of the Company.

A statement containing the salient features of the financial statements of the Wholly-Owned Subsidiary, in accordance with Section 129(3) of the Companies Act, 2013 read with Rule 5 of the Companies (Accounts) Rules, 2014, in **Form AOC-1**, is annexed to this Board's Report as **Annexure – A**.

The Company does not have any joint venture or associate company as on the date of this Report.

11. CORPORATE GOVERNANCE

Pursuant to Regulation 34(3) read with Para C of Schedule V of the Listing Regulations, the **Report on Corporate Governance** is annexed as **Annexure - B** and a Certificate by the Managing Director & CEO confirming compliance by all the Board Members and Senior Management Personnel with Company's Code of Conduct and Auditors' Certificate regarding compliance of conditions of Corporate Governance form part of the Annual Report.

12. MANAGEMENT DISCUSSION AND ANALYSIS

The Management Discussion and Analysis of financial condition and results of operations of the Company for the year under review, as per SEBI (Listing Obligations and Disclosure Requirements), 2015, as amended from time to time ("Listing Regulations"), is presented in a separate section, which forms a part of the Annual Report is set-out in **Annexure-C**.

13. CONSOLIDATED FINANCIAL STATEMENTS

Pursuant to the provisions of the Companies Act, 2013 read with the applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, your Directors have pleasure in presenting the Audited Consolidated Financial Statements of the Company for the financial year ended 31 March 2026.

The Consolidated Financial Statements have been prepared in accordance with the applicable Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time.

The Consolidated Financial Statements of the Company comprise the financial statements of Tera Software Limited and its subsidiary, TS Innovations Private Limited.

14. DIRECTORS AND KEY MANAGEMENT PERSONNEL AND RELEVANT DISCLOSURES

- **Composition of the Board:**

  As on 31 March 2026, the Board of Directors comprised six (6) Directors, consisting of two Executive Directors, one Non-Executive Director and three Independent Directors. The composition of the Board is in compliance with the provisions of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

- **Appointment and Cessation of Directors during the Year:**

  The details of appointment and cessation of Directors during the financial year under review are as follows:

Name of the Director	DIN	Designation	Nature of Change	Effective date of change
Sri. Veera Brahma Rao Arekapudi	07540040	Independent Director	Appointed as an Additional Independent Director and members approved through Postal Ballot on 25-03-2026	February 10, 2026
Sri. Divakar Atluri	00033386	Independent Director	Ceased to hold office upon completion of his first term and was not re-appointed	February 11, 2026
Sri. T. Gopichand	00107886	Chairman and Managing Director	Re-appointed as Chairman and Managing Director by the members at their AGM held on 26/09/2025.	w.e.f. September, 01, 2026

• Sri. Veera Brahma Rao Arekapudi was appointed as an Additional Independent Director by the Board with effect from 10 February 2026. The Members approved his appointment as an Independent Director through Postal Ballot, the results of which were declared on 26 March 2026, and his appointment is effective from 10 February 2026.

- **Key Managerial Personnel (KMP)**

  Pursuant to Section 203 of the Companies Act, 2013, the following were the Key Managerial Personnel of the Company during the year under review and as on the date of this Report:

Sri. T. Gopichand	Chairman and Managing Director
Sri. T. Madhu Mitra	Whole-Time Director
Smt. D. Pravallika	Chief Financial Officer (resigned and relieved from the services of the Company with effect from June 30, 2026)
Sri. Ch. Mallikarjuna	Company Secretary & Compliance Officer
Sri. G. Anil Kumar	Chief Financial Officer (appointed by the Board of Directors with effect from September 07, 2026)

Smt. D. Pravallika resigned from the position of Chief Financial Officer and was relieved from the services of the Company with effect from 30 June 2026. Subsequently, the Board of Directors, at its meeting held on August 11, 2026, appointed Sri. G. Anil Kumar as the Chief Financial Officer of the Company with effect from September 07, 2026.

- **Declaration by Independent Directors:**

  The Company has received declarations from all the Independent Directors confirming that they meet the criteria of independence as prescribed under Section 149(6) of the Companies Act, 2013 and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended. The Board is of the opinion that the Independent Directors possess the requisite integrity, expertise, experience and proficiency and fulfil the conditions specified under the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and are independent of the management.

The terms and conditions of appointment of the Independent Directors are available on the Company's website and can be accessed at: 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 and in accordance with the provisions of Section 152, Section 178 of the Companies Act, 2013 and Regulation 19 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board of Directors, at its meeting held on August 11, 2026, recommended the following proposal for approval of the Members at the ensuing Annual General Meeting:

- Sri. T. Bapaiah Chowdary (DIN: 00107795), Non-Executive Director, who retires by rotation in accordance with the provisions of Section 152(6) of the Companies Act, 2013 and being eligible, has offered himself for re-appointment.

  The Notice convening the ensuing Annual General Meeting forms part of this Annual Report and contains the requisite details of the aforesaid Director seeking re-appointment, as required under the Secretarial Standard on General Meetings (SS-2) and Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

15. BOARD AND COMMITTEE COMPOSITION AND THEIR MEETINGS

- **Board Meeting and Composition:**

  During the financial year 2025-26, the Board of Directors met four (4) times in compliance with the provisions of the Companies Act, 2013, the rules made thereunder and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The intervening gap between any two consecutive meetings did not exceed the period prescribed under the Companies Act, 2013 and the SEBI (LODR) Regulations.

  The requisite quorum was present throughout all the meetings. The Directors actively participated in the deliberations and provided valuable guidance on the matters placed before the Board.

  The dates of the Board Meetings held during the financial year were as follows:

  - 16 May 2025
  - 12 August 2025
  - 11 November 2025
  - 10 February 2026

  The attendance of the Directors at the Board Meetings is given below:

Name of Director	Desig-nation	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 Director	4	4
Prof. Dr. Braja Bandhu Nayak	NED	Independent Director	4	4
Smt. V. Usha Rani	NED	Independent Director	4	4
Sri. T. Bapaiah Chowdary	NED	Promoter Group	4	4
Sri. A. Veera Brahma Rao	NED	Independent Director	1	1

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

- **Meeting of Independent Directors**:

  Pursuant to Schedule IV to the Companies Act, 2013 and Regulation 25(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a separate meeting of the Independent Directors was held on 10 February 2026, without the attendance of the Non-Independent Directors and members of the management.

At the meeting, the Independent Directors, inter alia, reviewed:

- the performance of the Non-Independent Directors and the Board as a whole;
- the performance of the Chairman of the Company, taking into account the views of the Executive and Non-Executive Directors; and

- the quality, quantity and timeliness of the flow of information between the management and the Board necessary for the Board to effectively and reasonably perform its duties.

16. AUDIT AND OTHER COMMITTEES OF BOARD

As required under Section 177(8) read with Section 134(3) of the Companies Act, 2013 and the Rules made thereunder, the composition of the Audit Committee and the conduct of its meetings were in compliance with the provisions of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"). During the financial year under review, all the recommendations made by the Audit Committee were accepted by the Board of Directors.

In accordance with the provisions of the Companies Act, 2013 and the Listing Regulations, the Company has also constituted various Committees of the Board, namely, the Debtors Review Committee (Sub-Committee of the Audit Committee), Nomination and Remuneration Committee, Stakeholders' Relationship Committee, Corporate Social Responsibility Committee, Borrowing Committee and Management Committee.

During the financial year under review, consequent upon the completion of the term of Mr. Divakar Atluri as an Independent Director with effect from 11 February 2026 and the appointment of Mr. Veera Brahma Rao Arekapudi as an Additional Independent Director with effect from 10 February 2026, the Board reconstituted the composition of its Committees, wherever required, in compliance with the provisions of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The details of the Committees of the Board, including their terms of reference, composition, number of meetings held during the financial year and attendance of the members thereat, are provided in the Report on Corporate Governance, which forms an integral part of this Annual Report.

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

Pursuant to the provisions of Section 178 read with Section 134(3)(e) of the Companies Act, 2013 and the applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Nomination and Remuneration Committee has formulated and recommended to the Board a Policy on the appointment and remuneration of Directors, Key Managerial Personnel and Senior Management Personnel.

The Policy lays down the criteria for appointment, qualifications, positive attributes, independence of Directors and remuneration payable to Directors, Key Managerial Personnel and Senior Management Personnel. The Policy also provides the criteria for evaluation of the performance of the Board, its committees and individual Directors.

There was no change in the said Policy during the financial year under review. The Policy is available on the Company's website at: https://terasoftware.com/investors.

18. PERFORMANCE EVALUATION OF BOARD, COMMITTEES & DIRECTORS

Pursuant to the Provisions of the Companies Act, 2013 and Listing Regulations and the Guidance Note on Board Evaluation issued by SEBI, the Board of Directors of the Company carried out the annual evaluation of its own performance and that of its committees and individual Directors as per mechanism for such evaluation evolved by the Board, inter-alia, to assess the skill set and contribution that are desired recognising that competencies and experiences evolves over time. The manner in which annual evaluation has been carried out by the Board of Directors is provided in the Report on Corporate Governance which forms a part of the Annual Report.

As part of the evaluation process, the Board of Directors also considered the criteria for performance evaluation of Independent Directors and the Board of Directors as formulated by the Nomination and Remuneration Committee.

The Independent Directors, after taking into account the views of the Non-Executive Non-Independent Directors, and the Managing Director, carried out the annual evaluation of the Chairman. They have also undertaken the evaluation of the Board as a whole, its committees, and individual Directors. The outcome of this evaluation was reviewed and deliberated by the Board of Directors.

The performance evaluation of Independent Directors was carried out by the entire Board of Directors, excluding the Directors being evaluated. The results of the evaluations reflected a high level of commitment, engagement, and effective functioning of the Board and its various Committees. In conclusion, the Board of Directors expressed satisfaction with the overall performance of the Board, its committees, and individual members.

19. CORPORATE SOCIAL RESPONSIBILITY

As a part of its initiative under Corporate Social Responsibility (CSR), your Company has undertaken CSR activities, projects and programs broadly in accordance with Schedule VII of the Companies Act, 2013, applicable provisions of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and CSR Annual Action Plan 2025-26 read with the Company's CSR Policy.

The Annual Report on CSR activities giving brief outline of the Company's CSR Policy and CSR initiatives undertaken during the year under review in the prescribed format as per the Companies (Corporate Social Responsibility Policy) Amendment Rules, 2021 is set-out in **Annexure-D** which is attached hereto and forms a part of the Boards' Report.

The CSR Policy of the Company is available on the Company's website at: https://terasoftware.com/investors/corporate-social-responsibility-policy.

20. RISK MANAGEMENT AND ADEQUACY OF INTERNAL FINANCIAL CONTROLS

The provisions relating to the constitution of a Risk Management Committee under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 are not applicable to the Company. The Audit Committee oversees the Company's framework for identification, evaluation, mitigation and monitoring of business, operational, financial and compliance risks.

The Company's internal financial controls with reference to the Financial Statements are commensurate with the size, scale and complexity of its operations and are designed to provide reasonable assurance regarding the orderly and efficient conduct of its business, safeguarding of its assets, prevention and detection of frauds and errors, accuracy and completeness of accounting records, and timely preparation of reliable financial information.

The Audit Committee and the Board of Directors periodically review the risk management framework to identify, evaluate, prioritize and mitigate key business risks. They also monitor the effectiveness of the internal control systems, governance processes, compliance with applicable laws and regulations, and the implementation of appropriate risk mitigation measures.

The Company has established a process for periodically placing before the Audit Committee the risk assessment reports, risk minimization initiatives and the measures taken to mitigate identified risks. The key elements of the Company's risk management framework are discussed in the Management Discussion and Analysis Report, which forms part of this Annual Report.

21. ANNUAL RETURN

A copy of the Annual Return of the Company prepared in accordance with Section 92(1) of the Companies Act, 2013 read with Rule 11 of the Companies (Management and Administration) Rules, 2014 is placed on website of the Company in pursuance to Section 92(3) of the Companies Act, 2013 and the same can be accessed at the weblink: https://www.terasoftware.com/annual-return.

22. DIRECTORS' RESPONSIBILITY STATEMENT

To the best of their knowledge and belief and according to the information and explanations obtained by them, your Directors make the following statements in terms of Section 134(3)(c) of the Companies Act, 2013:

(a) that in the preparation of the annual financial statements for the year ended March 31, 2026, the applicable accounting standards ("Ind AS") read with requirements set out under Schedule III to the Companies Act, 2013 have been followed and there are no material departures from the same;

(b) that such accounting policies as mentioned in Notes to the financial statements have been selected and applied consistently and judgement and estimates have been made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2026 and of the profit of the Company for the year ended on that date;

(c) that proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

(d) that the annual financial statements have been prepared on a going concern basis;

(e) that proper internal financial controls were in place and that the financial controls were adequate and were operating effectively; and

(f) that proper systems to ensure compliance with the provisions of all applicable laws were in place and that such systems were adequate and operating effectively.

23. AUDITORS

(A) STATUTORY AUDITORS

In terms of the provisions of Section 139 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 as amended vide the Companies (Amendment) Act, 2017 and the Companies (Audit and Auditors) Amendment Rules, 2018 respectively, M/s Narven Associates, Chartered Accountants (Firm Registration

No.005905S) were appointed as Statutory Auditors of the Company to hold office for a term of five (5) years until the conclusion of the 33rd Annual General Meeting (AGM) of the Company to be held in the year 2027. The Auditors have confirmed to the Company that they continue to remain eligible to hold office as the Auditors and are not disqualified for being so appointed as Statutory Auditors under the Companies Act, 2013, the Chartered Accountants Act, 1949 and the rules and regulations framed thereunder. .

(B) AUDITORS' REPORT

The Auditors' Report on the financial statements of the Company for the year ended March 31, 2026 forms a part of the Annual Report. There is no qualification, reservation, adverse remark, disclaimer or modified opinion in the Auditors' Report that calls for any further comments or explanations.

(C) COST AUDITORS

The provisions of Section 148 of the Companies Act, 2013, read with the Companies (Cost Records and Audit) Rules, 2014, relating to the maintenance of cost records and appointment of Cost Auditors, are not applicable to the Company.

(D) SECRETARIAL AUDITORS

M/s RPR & Associates, Practicing Company Secretaries (Unique Identification No. S2017TL469100 and Peer Review Certificate No. 8237/2026) were appointed as the Secretarial Auditor of the Company pursuant to Regulation 24A of the Listing Regulations to undertake the Secretarial Audit of your Company for the first term of Five (5) consecutive years from financial year 2025-26 till financial year 2029-30. M/s RPR & Associates has confirmed that they are not disqualified from continuing as Secretarial Auditor of the Company in terms of provisions of the Companies Act, 2013 & Rules framed thereunder and Listing Regulations.

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and rules thereunder, the **Secretarial Audit Report** for the financial year ended March 31, 2026 issued by Secretarial Auditor, M/s RPR & Associates, Practicing Company Secretaries is given in the prescribed form in **Annexure–E** which is attached hereto and forms a part of the Directors' Report.

The Secretarial Audit Report does not contain any qualification, reservation, adverse remark or disclaimer. The observation of Secretarial Auditor is self-explanatory in nature and does not require any comment or explanation from the Board of Directors.

(E) INTERNAL AUDITORS

Pursuant to the provisions of Section 138 of the Companies Act, 2013, the Company had appointed M/s. Darapaneni & Co., Chartered Accountants, as the Internal Auditors of the Company to conduct the internal audit of its functions and activities for the Financial Year 2025–26. The Internal Auditors submitted their reports periodically, and their observations together with the corrective actions taken by the Management were placed before the Audit Committee for its review.

24. PARTICULARS OF EMPLOYEES

The disclosure required pursuant to Section 197(12) of the Companies Act, 2013 read with Rule 5(2) and 5(3) of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended, in respect of employees of the Company are given in **Annexure-F** which is attached hereto and forms a part of the Annual Report Report.

25. PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS

The particulars of Loans, Guarantees and Investments in pursuance to Section 186 of the Companies Act, 2013 have been disclosed in the standalone financial statements read together with Notes annexed to and forming an integral part of the standalone financial statements.

26. RELATED PARTY TRANSACTIONS

All Related Party Transactions entered into by the Company during the financial year under review were at arm's length and in the ordinary course of business and were in compliance with the applicable provisions of the Companies Act, 2013 read with the Rules made thereunder, the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") and the Company's Policy on Related Party Transactions.

During the financial year under review, the Company did not enter into any Related Party Transactions that were material under the provisions of the Companies Act, 2013 or the Listing Regulations. Accordingly, the disclosure of Related Party Transactions in Form AOC-2, as required under Section 134(3)(h) of the Companies Act, 2013 read with Rule 8(2) of the Companies (Accounts) Rules, 2014, is not applicable. However, **Form AOC-2** is voluntarily enclosed as **Annexure–G**.

There were no materially significant Related Party Transactions entered into by the Company with its Promoters, Directors, Key Managerial Personnel or other designated persons that could have a potential conflict with the interests of the Company or be prejudicial to the interests of the minority shareholders. Details of the Related Party Transactions entered into during the financial year are disclosed in the Notes forming part of the Standalone Financial Statements for the financial year ended 31 March 2026.

The Audit Committee grants prior omnibus approval on an annual basis for Related Party Transactions that are repetitive in nature and in the ordinary course of business. A statement containing the details of all Related Party Transactions entered into pursuant to such omnibus approval, together with the relevant documents and information, is placed before the Audit Committee on a quarterly basis for its review.

Pursuant to Regulation 23 of the Listing Regulations, the Company submits disclosures of Related Party Transactions in the prescribed format to the Stock Exchanges every six months along with the publication of its standalone and consolidated financial results.

The Company's Policy on Materiality of Related Party Transactions and on Dealing with Related Party Transactions, as approved by the Board of Directors, is available on the Company's website at https://www.terasoftware.com/related-party-transactions.

27. COMPLIANCE WITH APPLICABLE SECRETARIAL STANDARDS

The Company has in place adequate systems and processes to ensure compliance with the applicable Secretarial Standards issued by the Institute of Company Secretaries of India ("ICSI"). During the financial year under review, the Company has complied with the applicable Secretarial Standards, namely SS-1 relating to Meetings of the Board of Directors and SS-2 relating to General Meetings.

The Secretarial Auditor has also confirmed such compliance in the Secretarial Audit Report, which forms part of this Annual Report.

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

The information required under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 is provided below:

(a) Conservation of Energy:

The Company is engaged in the business of software development and IT-enabled services and is not involved in any manufacturing activities. Accordingly, the provisions relating to conservation of energy are not materially applicable to the Company's operations.

(b) Technology Absorption:

The Company has neither imported nor absorbed any new technology during the financial year under review. Accordingly, no expenditure was incurred towards technology absorption.

(c) Foreign Exchange Earnings and Outgo:

There were no foreign exchange earnings or outgo during the financial year under review.

29. VIGIL MECHANISM/WHISTLE BLOWER POLICY

In terms of the provisions of Section 177(9) of the Companies Act, 2013 and Regulation 22 of the Listing Regulations, the Company has implemented a Vigil Mechanism/Whistle Blower Policy to deal with instances of fraud and mis-management, if any, and conducting business with integrity including in accordance with all applicable laws and regulations. No employee has been denied access to the Vigilance Officer as well as direct access to the Chairperson of the Audit Committee in appropriate or exceptional cases. The details of the Vigil Mechanism and Whistle-Blower Policy are explained in the Report on Corporate Governance. The said Policy is uploaded on the website of the Company and can be accessed at weblink: https://www.terasoftware.com/uploads/VIGIL-BLOWER-POLICY.pdf.

30. CODE FOR PREVENTION OF INSIDER TRADING

The Company has adopted a Code of Conduct to Regulate, Monitor and Report Trading by Designated Persons ("PIT Code") in accordance with the provisions of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended. The PIT Code regulates trading in the Company's securities by its Designated Persons and their Immediate Relatives and, inter alia, lays down the procedures to be followed while trading in the Company's securities and for handling and dissemination of Unpublished Price Sensitive Information ("UPSI").

The Company has also adopted a Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information in compliance with the SEBI (Prohibition of Insider Trading) Regulations, 2015. The PIT Code, inter alia, provides for maintenance of a structured digital database, preservation of confidentiality of UPSI, internal controls for prevention of insider trading and procedures for handling and communicating UPSI.

The Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information is available on the Company's website at https://terasoftware.com/investors/code-of-practices-and-procedures-for-fair-disclosure-of-upsi

31. DECLARATION / CERTIFICATE PURSUANT TO SCHEDULE V OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

In terms of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a declaration by the Managing Director confirming that all the Members of the Board of Directors and the Senior Management Personnel have affirmed compliance with the **Company's Code of Conduct** for the financial year ended March 31, 2026 is annexed to this Board's Report as **Annexure–H**.

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

Pursuant to the applicable provisions of the Companies Act, 2013, the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and SEBI Circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2022/8 dated 25 January 2022, the Company has opened a Suspense Escrow Demat Account for crediting securities in cases where the security holder/claimant fails to submit the dematerialisation request within the prescribed period.

During the financial year under review, no equity shares were transferred to or held in the Suspense Escrow Demat Account. Accordingly, there were no outstanding shares lying in the Demat Suspense Account / Unclaimed Suspense Account as on March 31, 2026.

33. INVESTOR EDUCATION AND PROTECTION FUND (IEPF)

Pursuant to the provisions of the Companies Act, 2013 read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("IEPF Rules"), dividends remaining unpaid or unclaimed for a period of seven consecutive years are required to be transferred by the Company to the Investor Education and Protection Fund ("IEPF"). Further, in accordance with the IEPF Rules, the equity shares in respect of which dividends have remained unpaid or unclaimed for seven consecutive years or more are also required to be transferred to the Demat Account of the IEPF Authority.

During the financial year under review, there were no unpaid or unclaimed dividends or equity shares that were required to be transferred to the Investor Education and Protection Fund (IEPF).

Un claimed Dividends/Shares for the FY 2024-25 is as follows:

Year	Type of Dividend	Unpaid/ unclaimed dividend lying in the Unpaid Dividend Account(s) as on March 31, 2026 (In Rs.)	Corresponding Shares	Due date for transfer to IEPF
2024-25	Equity	1,03,768	109042	02/11/2032

34. PREVENTION OF SEXUAL HARASSMENT AT WORKPLACE

The Company has complied with the provisions relating to the constitution of Internal Complaints Committee(s) under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 ("POSH Act") and rules framed thereunder.

The Company has zero tolerance towards sexual harassment at workplace and has adopted a Policy on prevention, prohibition and redressal of sexual harassment at workplace. All employee (permanent, contractual, temporary, trainees) as well as consultants are covered under the Policy. The framework ensures complete anonymity and confidentiality.

The details as required under Rule 8(5)(x) of the Companies (Accounts) Rules, 2014 for the calendar year 2025 are given as under:

(a) Number of complaints of sexual harassment received in the year – NIL

(b) Number of complaints disposed off during the year – N.A.

(c) Number of cases pending for more than ninety days – NIL.

35. CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

Pursuant to Regulation 34(3) read with Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has obtained 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 being appointed or continuing as a Director as on 31 March 2026. The said certificate forms part of this Annual Report as **Annexure–I**.

36. COMPLIANCE CERTIFICATE ON CORPORATE GOVERNANCE

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

Compliance Certificate received from the Statutory Auditors confirming compliance with the conditions of Corporate Governance for the financial year ended 31 March 2026 forms part of this Annual Report as **Annexure–J**.

37. COMPLIANCE CERTIFICATE SIGNED BY THE CEO AND CFO

Pursuant to Regulation 17(8) read with Part B of Schedule II of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Compliance Certificate signed by the Chief Executive Officer and the Chief Financial Officer for the financial year ended 31 March 2026 forms part of this Annual Report as **Annexure–K.**

38. GENERAL

Your Directors state that no disclosure or reporting is required in respect of the following matters as there were no transactions or events concerning the same during the year under review:

(a) The Managing Director of the Company does not receive any remuneration or commission from any of the subsidiaries of the Company.

(b) No significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status of the Company and its operations in future.

(c) There have been no material changes and commitments which affect the financial position of the Company that have occurred between the end of the financial year of the Company to which the financial statements relate and the date of this Report.

There has been no material change in the nature of business of the Company.

(d) The Statutory Auditors, Internal Auditors and the Secretarial Auditors have not reported any instance of fraud committed in the Company by its officers and employees in terms of Section 143(12) of the Companies Act, 2013. Accordingly, no detail is required to be disclosed in pursuance to Section 134(3)(ca) of the Companies Act, 2013.

(e) The Company has neither filed any application under the Insolvency and Bankruptcy Code, 2016 (31 of 2016), as amended from time to time, nor has availed one time settlement with respect to any loans from banks or financial institutions.

(f) There were no revisions made in the financial statements and Boards' Report of the Company.

(g) All the material events have been duly disclosed to the stock exchanges during the year under review.

(h) The company is in compliance with respect to the provisions relating to the Maternity Benefit Act, 1961.

39. CAUTIONARY STATEMENT

Statements in this Annual Report, including those contained in the Management Discussion and Analysis Report, describing the Company's objectives, projections, estimates, expectations or predictions may constitute "forward-looking statements" within the meaning of applicable laws and regulations. Actual results may differ materially from those expressed or implied in such statements due to various risks and uncertainties, including changes in economic conditions, government policies, taxation laws, market conditions and other incidental or consequential factors beyond the control of the Company.

The Company undertakes no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as may be required under applicable laws.

ACKNOWLEDGEMENT

Your Directors wish to place on record their sincere appreciation for the valuable support, guidance and cooperation received from the Central and State Governments, regulatory authorities, bankers, financial institutions, investors, customers, vendors, business associates and all other stakeholders during the financial year under review. The Board also expresses its gratitude to its valued customers and business partners for their continued trust and confidence in the Company.

The Directors also place on record their deep appreciation for the dedication, commitment, hard work and valuable contributions of all the employees of the Company, whose sustained efforts have significantly contributed to the Company's growth and performance during the year. The Board looks forward to their continued support and commitment in the years ahead.

For and on behalf of the Board

	T. Gopichand	**T. Madhu Mitra**
Date : 11th August, 2026	Chairman and Managing Director	Whole-Time Director
Place: Hyderabad	DIN: 00107886	DIN: 07124242

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 (became as Wholly Owned Subsidiary w.e.f. 13-06-2026)
3	Reporting period for the subsidiary concerned, if different from the holding company's reporting period.	March 31, 2026
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	(1,47,330)
7	Total assets	27,670
8	Total Liabilities	75,000
9	Investments	Nil
10	Turnover	Nil
11	Profit before taxation	(38,820)
12	Provision for taxation	-
13	Profit after taxation	(38,820)
14	Proposed Dividend	-
15	Extent of shareholding (in percentage)	74% (100% w.e.f.13-06-2026)

1. Names of subsidiaries which are yet to commence operations: **Nil**
2. 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

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

For and on behalf of the Board

T. Gopichand
Chairman and Managing Director
DIN: 00107886

T. Madhu Mitra
Whole-Time Director
DIN: 07124242

Date : 11th August, 2026
Place: Hyderabad

Annexure-B

CORPORATE GOVERNANCE REPORT

Pursuant to Regulation 34(3) read with Paragraph C of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("Listing Regulations"), the Report on Corporate Governance of Tera Software Limited ("the Company") for the financial year ended March 31, 2026 is set out below:

1. CORPORATE GOVERNANCE PHILOSOPHY

Good Corporate Governance is an integral part of the Company's management philosophy and business practices. The Company is committed to conducting its business with the highest standards of ethics, integrity, transparency, accountability and fairness while ensuring compliance with all applicable laws and regulations. The Company firmly believes that sound corporate governance practices enhance stakeholder confidence and create sustainable long-term value for all stakeholders.

The Company's governance framework is aimed at achieving an appropriate balance between entrepreneurial leadership and prudent control, thereby ensuring accountability, transparency and responsible decision-making. The Company strives to safeguard the interests of its shareholders while recognising the rights and expectations of employees, customers, investors, lenders, business associates, regulatory authorities and other stakeholders.

The Company continuously reviews and strengthens its governance practices and internal processes to align them with evolving regulatory requirements and globally accepted governance standards. The Company believes that effective corporate governance contributes to sustainable business growth and long-term value creation.

The Company has complied with the applicable requirements of Corporate Governance prescribed under the Companies Act, 2013 and the Listing Regulations. The disclosures contained in this Report are in accordance with Regulation 34(3) read with Paragraph C of Schedule V of the Listing Regulations.

2. BOARD OF DIRECTORS

As on March 31, 2026, the Board of Directors comprised six (6) Directors, including one (1) Woman Director, with an optimum combination of Executive and Non-Executive Directors. The Company has a regular Executive Chairman who is also the Managing Director of the Company. The Board comprises three (3) Independent Directors, constituting one-half of the total strength of the Board, and four (4) Non-Executive Directors, which is more than fifty per cent of the total number of Directors, in compliance with Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"). The composition of the Board is also in conformity with the provisions of Section 149 of the Companies Act, 2013.

None of the Directors is a member of more than ten Committees or acts as Chairperson of more than five Committees across all public companies in which he/she is a Director, in accordance with the provisions of the Companies Act, 2013 and the Listing Regulations. The necessary disclosures regarding Committee positions have been received from all the Directors.

None of the Independent Directors serves as an Independent Director on the Board of more than seven listed entities. Further, none of the Independent Directors serves as a Whole-time Director or Managing Director in any listed entity. None of the Independent Directors has any material pecuniary relationship or transactions with the Company, its Promoters or its Management, other than the payment of sitting fees and reimbursement of expenses incurred for attending the meetings of the Board and its Committees.

The Independent Directors have submitted the annual declarations confirming that they meet the criteria of independence as prescribed under Section 149(6) read with Section 149(7) of the Companies Act, 2013 and Regulation 16(1)(b) read with Regulation 25(8) of the Listing Regulations. They have also confirmed that they are not aware of any circumstances or situations that exist or may reasonably be anticipated to impair or impact their ability to discharge their duties with an objective and independent judgment. In the opinion of the Board, the Independent Directors fulfil the conditions of independence specified under the Companies Act, 2013 and the Listing Regulations and possess the requisite integrity, expertise and experience. During the financial year under review, no Independent Director resigned before the expiry of his/her tenure. The terms and conditions of appointment of the Independent Directors are available on the Company's website at https://terasoftware.com/terms-and-conditions-of-appointment-of-independent-directors.

During the financial year ended March 31, 2026, Four (4) Board Meetings were held on May 16, 2025, August 12, 2025, November 11, 2025 and February 10, 2026. The maximum interval between any two consecutive Board Meetings did not exceed the period prescribed under Section 173 of the Companies Act, 2013, Regulation 17(2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard-1 (SS-1) on Meetings of the Board of Directors issued by the Institute of Company Secretaries of India.

The following table sets out the composition of the Board, the category of Directors, attendance at the Board Meetings held during the financial year and the last Annual General Meeting, together with the number of Directorships, Committee Memberships and Chairpersonships held by the Directors in other companies.

Name of the Director and DIN	Category	Attendance Particulars		Number of Other Directorship (s) and Committee positions held in other Public companies		
		Board Meetings	Last AGM	Other Directorships	Chairman	Member
Mr. T. Gopichand (DIN: 00107886)	Chairman & Managing Director (Promoter)	4	Yes	Nil	Nil	Nil
Mr. A. Divakar (DIN: 00033386)	Independent Non-Executive Director	4	Yes	2	Nil	4
Prof. Dr. Braja Bandhu Nayak (DIN: 09702361)	Independent Non-Executive Director	4	Yes	Nil	Nil	Nil
Mr. T. Bapaiah Chowdary (DIN: 00107795)	Non-Executive Director (Promoter Group)	4	Yes	Nil	Nil	Nil
Mr. T. Madhu Mitra (DIN: 07124242)	Whole-time Director (Promoter Group)	4	Yes	1	Nil	Nil
Mrs. V. Usha Rani (DIN: 03601565)	Independent Non-Executive Director	4	Yes	Nil	Nil	Nil
Mr. A. Veera Brahma Rao (DIN: 07540040)	Independent Non-Executive Director	1	NA	1	Nil	1

Board of Directors – Changes and Tenure Details:

i. **Mr. T. Gopichand, Chairman and Managing Director –** His current term of office will expire on August 31, 2026. The Members of the Company, at the 31st Annual General Meeting held on September 26, 2025, approved his re-appointment as Chairman and Managing Director for a further period of five (5) years with effect from September 01, 2026 up to August 31, 2031.

ii. **Mr. A. Veera Brahma Rao, Independent Director –** Appointed as an Additional Director (Independent Category) with effect from February 10, 2026. The Members approved his appointment as an Independent Director through Postal Ballot on March 25, 2026, to hold office for a term of five (5) consecutive years with effect from March 10, 2026 up to March 09, 2031.

iii. **Mr. Divakar Atluri, Independent Director –** Completed his first term of five (5) consecutive years as an Independent Director on February 11, 2026. He did not seek re-appointment upon completion of his tenure.

iv. **Mr. T. Bapaiah Chowdary, Non-Executive Director –** Liable to retire by rotation at the ensuing Annual General Meeting and, being eligible, has offered himself for re-appointment.

Note:

1. The number of Directorships stated in this Report excludes Directorships in private companies, companies registered under Section 8 of the Companies Act, 2013 and foreign companies.
2. Membership/Chairmanship is in accordance with Regulation 26(1)(b) of the Listing Regulations and reflect the Membership/Chairmanship of the Audit Committee and the Stakeholders Relationship Committee of all other Indian public limited companies.

The Company has provided facility for the participation of a Director in Board/Committee meetings through video conferencing or other audio-visual mode in accordance with the provisions of the Companies Act, 2013 read with the Companies (Meetings of Board and its Powers) Rules, 2014 and circular/notifications issued thereunder from time to time, and revised Secretarial Standard (SS-1).

The notice and detailed agenda alongwith the relevant notes and other material information are circulated to the Directors before the meeting including minimum information as required under Regulation 17(7) read with Schedule-II of the Listing Regulations, to the extent applicable and relevant and in exceptional cases tabled at the meeting with the approval of the Board of Directors. All the Directors have complete and unrestricted access to any information required by them to understand the transactions and take decisions. This enables the Board to discharge its responsibilities effectively and make an informed decision. The compliance report pertaining to all laws applicable to the Company as well as steps taken by the Company to rectify instances of non-compliances, if any, as prepared and compiled by the Company Secretary of the Company is circulated to all the Directors along with the Agenda and is placed/reviewed on quarterly basis in the Board Meeting.

The Board has laid down a Code of Conduct for its Board Members and senior management personnel of the Company and the same has been posted on the website of the Company and can be accessed through given web link i.e. https://terasoftware.com/uploads/Code-of-Conduct-of-Board-of-Directors-and-Senior-Management-Personnel.pdf.

For the year under review, all Board Members and senior management personnel of the Company have affirmed their adherence to the provisions of the said Code.

Details of Directorships held in other Listed Entities (excluding directorship held in the company) as on March 31, 2026, 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
Mr. A. Veera Brahma Rao	Steel Exchange India Limited	Independent Director (Non-Executive)

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 paternal 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 Nephew (Brother's son) of Mr. T. Bapaiah Chowdary (Non-Executive Director)

Number of Equity Shares and convertible instruments held by non- executive directors as on March 31, 2026:

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

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

Details of skills / expertise / competence of the Board of Directors:

The Board has identified the core skills, expertise and competencies required in the context of the Company's business and operations for its effective functioning. The following table sets out the skills, expertise and competencies of the Directors who served on the Board during the financial year ended March 31, 2026:

S.No.	Name of the Director	Skills / Expertise / Competence
1	Mr. T. Gopichand	Technology, Innovation, Business Strategy, Leadership
2	Mr. T. Madhu Mitra	Technology, Strategic Planning, Project Management
3	Mr. A. Divakar	Finance, Accounts, Audit, Corporate Governance
4	Prof. Dr. Braja Bandhu Nayak	Corporate Governance, Strategic Planning, Operations, Large-scale Manufacturing and Management of Projects of National Importance
5	Mrs. V. Usha Rani	Public Administration, Regulatory Affairs and Governance (Retd. IAS Officer)
6	Mr. A. Veera Brahma Rao	Banking, Financial Services, Economics and Law
7	Mr. T. Bapaiah Chowdary	Business Management

BOARD COMMITTEES

The Board currently has the following five Committees:

i. Audit Committee

ii. Debtors Review Committee (Sub-Committee of the Audit Committee)

iii. Nomination and Remuneration Committee

iv. Stakeholders' Relationship Committee

v. Corporate Social Responsibility Committee

vi. Management Committee (constituted with effect from May 16, 2025)

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

The terms of reference of the above Committees are in conformity with the provisions of the Companies Act, 2013, the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and other applicable laws, as well as such other terms as may be 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 terms of reference and make appropriate recommendations to the Board. Based on such recommendations, observations and suggestions, the Board takes informed decisions.

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

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

3. (i) AUDIT COMMITTEE

The Audit Committee has been duly constituted as per applicable legal and regulatory requirements.

The Composition of the Audit Committee as at March 31, 2026 is given below:

Name of the Member	Designation	Category
Mr. A. Divakar	Chairman (upto 11-02-2026)	Non-Executive Independent Director
Mr. A. Veera Brahma Rao	Chairman (from 12-02-2026)	Non-Executive Independent Director
Prof. Dr. Braja Bandhu Nayak	Member	Non-Executive Independent Director
Mr. T. Bapaiah Chowdary	Member	Non Executive Director
Mrs. V. Usha Rani	Member	Non-Executive Independent Director

During the financial year under review, the term of office of Mr. A. Divakar as an Independent Director expired with effect from February 11, 2026, and consequently, he ceased to be a Member of the Audit Committee. Mr. A. Veera Brahma Rao was appointed as an Additional Independent Director with effect from February 10, 2026 and was appointed as the Chairman of the Audit Committee with effect from February 12, 2026.

All the members of the Audit Committee are financially literate and possess expertise in accounting and financial management.

The Secretary of the Company acts as the Secretary to the Audit Committee as required by Regulation 18(1)(e) of the Listing Regulations.

The composition, quorum, powers, role and scope of Audit Committee and information being reviewed by the Audit Committee are in accordance with Regulation 18(3) read with Part-C of Schedule-II of the Listing Regulations as well as Section 177 of the Companies Act, 2013. The Terms of Reference of Audit Committee, inter-alia, include the following:

(i) Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;

(ii) Recommendation for appointment, remuneration and terms of appointment of auditors of the Company;

(iii) Approval of payment to statutory auditors for any other services rendered by the statutory auditors;

(iv) Reviewing with the management the Annual Financial Statements and Auditor's Report thereon before submission to the Board for approval, with particular reference to:

- Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013;
- Changes, if any, in accounting policies and practices and reasons for the same;
- Major accounting entries involving estimates based on the exercise of judgment by management;
- Significant adjustments made in the financial statements arising out of audit findings;
- Compliance with listing and other legal requirements relating to financial statements;
- Disclosure of any related party transactions; and
- Modified opinion(s), if any, in the draft audit report.

(v) Reviewing with the management the quarterly financial statement before submission to the Board for approval;

(vi) Reviewing with the management the statement of uses / application of funds raised through an issue (Public Issue, Rights Issue, Preferential Issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a Public or Rights Issue or preferential issue or qualified institutional placement, and making appropriate recommendations to the Board to take up steps in this matter;

(vii) Reviewing and monitoring the auditor's independence and performance and effectiveness of audit process;

(viii) Approval or any subsequent modification of transactions of the Company with related parties;

(ix) Scrutiny of inter-corporate loans and investments;

(x) Valuation of undertakings or assets of the Company, wherever it is necessary;

(xi) Evaluation of internal financial controls and risk management systems;

(xii) Reviewing with the management performance of statutory and internal auditors, adequacy of the internal control systems;

(xiii) Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;

(xiv) Discussion with internal auditors of any significant findings and follow up there on;

(xv) Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;

(xvi) Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post audit discussion to ascertain any area of concern;

(xvii) To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;

(xviii) To review the functioning of the Whistle Blower Mechanism;

(xix) Approval of appointment of Chief Financial Officer after assessing the qualifications, experience and background, etc. of the candidate;

(xx) Reviewing the utilization of loans and/ or advances from/investment by the holding company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments;

(xxi) Consideration and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the Company and its shareholders; and

(xxii) Carrying out any other function as is mentioned in the Terms of Reference of the Audit Committee.

Details of Meetings of the Audit Committee held during the year and attendance thereof are given below:

Name	Meetings held and attendance particulars			
	May 16, 2025	August 12, 2025	November 11, 2025	February 10, 2026
Mr. A. Divakar	Yes	Yes	Yes	Yes
Prof. Dr. Braja Bandhu Nayak	Yes	Yes	Yes	Yes
Mr. T. Bapaiah Chowdary	Yes	Yes	Yes	Yes
Mrs. V. Usha Rani	Yes	Yes	Yes	Yes

The Meetings of Audit Committee were also attended by the Secretary of the Committee and the necessary quorum was present at all the Meetings. The Statutory Auditors, Internal Auditors are permanent invitees to the Audit Committee Meetings. The Chief Financial Officer (CFO) and other invited executives also attended the Meetings to answer and clarify the issues raised in the Meetings. The Minutes of the Audit Committee Meeting(s) were noted at the Board Meeting(s).

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

The Debtors Review Committee was constituted as a Sub-Committee of the Audit Committee to periodically review and evaluate the status of outstanding trade receivables and report its observations and recommendations to the Audit Committee. The terms of reference of the Committee, inter alia, include:

- Reviewing the Credit Loss Allowance Reserve created for long-pending, overdue and outstanding debtor balances.
- Reviewing the recovery status of outstanding receivables and recommending appropriate measures for expediting their recovery.

During the financial year 2025–26, no meeting of the Debtors Review Committee was held.

The Composition of the Debtors Review Committee as at March 31, 2026 and details of Meetings held during the year and attendance thereof are given below:

Name	Category	Position	No. of Meetings held	No. of Meetings attended
Mr. A. Divakar	Non-Executive & Independent Director	Chairman (upto 11.02.2026)	Nil	NA
Prof. Dr. Braja Bandhu Nayak	Non-Executive & Independent Director	Member	Nil	NA
Mr. T. Gopichand	Chairman & Managing Director	Member	Nil	NA
Mr. A. Veera Brahma Rao	Non-Executive & Independent Director	Member (from 12.02.2026)	Nil	NA

During the financial year under review, the term of office of Mr. A. Divakar as an Independent Director expired with effect from February 11, 2026, and consequently, he ceased to be a Member of the Debtors Review Committee. Mr. A. Veera Brahma Rao was appointed as an Additional Independent Director with effect from February 10, 2026 and was appointed as a member of the Debtors Review Committee with effect from February 12, 2026.

3 (iii) NOMINATION AND REMUNERATION COMMITTEE

The Nomination and Remuneration Committee has been duly constituted as per applicable legal and regulatory requirements.

The Composition of the Nomination and Remuneration Committee as at March 31, 2026 and details of Meetings held during the year and attendance thereof are given below:

Name of Director	Category	Position in the Committee	Meetings held and Attendance particulars	
			August 12, 2025	February 10, 2026
Mrs. V. Usha Rani	Non-Executive Independent Director	Chairperson	Yes	Yes
Mr. T. Bapaiah Chowdary	Non-Executive Independent Director	Member	Yes	Yes
Prof. Dr. Braja Bandhu Nayak	Non-Executive Independent Director	Member	Yes	Yes

During the financial year 2025–26, two (2) meetings of the Nomination and Remuneration Committee was held on August 12, 2025 and February 10, 2026.

The Nomination and Remuneration Committee acts in consonance with the prescribed provisions of Section 178 of the Companies Act, 2013 and Regulation 19(4) read with Part-D of Schedule-II of the Listing Regulations. The Terms of Reference of the Nomination and Remuneration Committee as approved by the Board of Directors of the Company are briefly set out below:

The terms of reference of the committee are as follows:

- Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal.
- Formulation of criteria for evaluation of Independent Directors and the Board;
- Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees;
- Devising a policy on Board diversity.

Remuneration Policy

The Company's philosophy for remuneration of Directors, key managerial personnel and all other employees is based on the commitment of fostering a culture of leadership with trust. The Company has adopted a Policy for remuneration of Directors, Key Managerial Personnel and other employees, which is aligned to this philosophy. The key factors considered in formulating the Policy are as under:

a) the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate Directors of the quality required to run the Company successfully;

b) relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and

c) remuneration to Directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals.

(iv) The key principles governing the Company's Remuneration Policy are as follows:

1) Remuneration to Managing Director / Whole-time Directors:

a) The Remuneration/ Commission etc. to be paid to Managing Director / Whole-time Directors, etc. shall be governed as per provisions of the Companies Act, 2013 and rules made there under or any other enactment for the time being in force and the approvals obtained from the Members of the Company.

b) The Nomination and Remuneration Committee shall make such recommendations to the Board of Directors, as it may consider appropriate with regard to remuneration to Managing Director / Whole-time Directors.

2) Remuneration to Non- Executive / Independent Directors:

a) The Non-Executive / Independent Directors may receive sitting fees and such other remuneration as permissible under the provisions of Companies Act, 2013. The amount of sitting fees shall be such as may be recommended by the Nomination and Remuneration Committee and approved by the Board of Directors.

b) All the remuneration of the Non- Executive / Independent Directors (excluding remuneration for attending meetings as prescribed under Section 197 (5) of the Companies Act, 2013) shall be subject to ceiling/ limits as provided under Companies Act, 2013 and rules made there under or any other enactment for the time being in force.

c) The amount of such remuneration shall be such as may be recommended by the Nomination and Remuneration Committee and approved by the Board of Directors or shareholders, as the case may be.

d) Any remuneration paid to Non- Executive / Independent Directors for services rendered which are of professional in nature shall not be considered as part of the remuneration for the purposes of clause (b) above if the following conditions are satisfied:

i) The Services are rendered by such Director in his capacity as the professional; and

ii) In the opinion of the Committee, the director possesses the requisite qualification for the practice of that profession.

3) Remuneration to Key Managerial Personnel and Senior Management:

a) The remuneration to Key Managerial Personnel and Senior Management shall consist of fixed pay and incentive pay, in compliance with the provisions of the Companies Act, 2013 and in accordance with the Company's Policy.

b) The fixed pay shall include monthly remuneration, employer's contribution to Provident Fund, contribution to pension fund, pension schemes, etc. as decided from time to time.

c) The Incentive pay shall be decided based on the balance between performance of the Company and performance of the Key Managerial Personnel and Senior Management, to be decided annually or at such intervals as may be considered appropriate.

The Company Secretary of the Company who acts as Secretary of the Committee was present at the Meetings and the necessary quorum was also present at each of the meetings. The Minutes of the Nomination and Remuneration Committee Meeting(s) were noted at the Board Meeting(s).

REMUNERATION OF NON-EXECUTIVE DIRECTORS AND EXECUTIVE DIRECTORS:

(v). The details of remuneration of Non-Executive Directors for the financial year ended March 31, 2026, are set out below:

(i) The remuneration paid/payable to Non-Executive Directors comprises of Sitting Fees for attending meeting(s) of the Board of Directors or any Committee thereof during the financial year 2025-26;

Name	Category	Sitting Fees	Total
Mr. T. Bapaiah Chowdary	Non-Executive Director	1.98	1.98
Mr. A. Divakar	Non-Executive Independent Director	2.18	2.18
Prof. Dr. Braja Bandhu Nayak	Non-Executive Independent Director	2.26	2.26
Mrs. V. Usha Rani	Non-Executive Independent Director	1.88	1.88
Mr. A. Veera Brahma Rao	Non-Executive Independent Director	0.20	0.20

During the financial year under review, the term of office of Mr. A. Divakar as an Independent Director expired with effect from February 11, 2026, and Mr. A. Veera Brahma Rao was appointed as an Additional Independent Director with effect from February 10, 2026.

vi. Remuneration to Mr. T. Gopichand, Chairman & Managing Director and Remuneration and Incentive to Mr. T. Madhu Mitra, Whole-Time Director is paid in accordance with the applicable provisions of the Companies Act, 2013. Annual increment to the existing remuneration structure is recommended by the Nomination and Remuneration Committee to the Board in accordance with the terms of appointment as approved by the shareholders for the CMD and WTD of the Company.

vii. The details of remuneration of Executive Directors for the financial year ended March 31, 2026, are set out below:

(Rs.in Lakhs)

Name of the Director	Category	Remuneration/ others	Total
Mr. T. Gopichand	Chairman & Managing Director	108	108
Mr. T. Madhu Mitra	Whole-Time Director	536.20 (includes incentive)	536.20

Notes:

(a) Sitting fees includes fees paid for attending Committee Meetings.

(b) The Company does not have any scheme for grant of Stock Options to its Directors or other employees.

(c) The Company has also obtained “Directors and Officers Liability Insurance” for all the Directors including Independent Directors as determined by the Board of Directors of the Company.

3. (iv) STAKEHOLDERS’ RELATIONSHIP COMMITTEE

The Stakeholders Relationship Committee has been constituted as per applicable legal and regulatory requirements.

The Composition of the Stakeholders Relationship Committee as at March 31, 2026 and details of Meetings held during the year and attendance thereof are given below:

Name of Director	Category	Position in Committee	Meetings held and Attendance particulars - February 10, 2026
Mr. T. Bapaiah Chowdary	Non-Executive Director	Chairman	Yes
Prof. Dr. Braja Bandhu Nayak	Non-Executive Independent Director	Member	Yes
Mr. A. Divakar	Non-Executive Independent Director	Member	Yes
Mr. A. Veera Brahma Rao	Non-Executive Independent Director	Member	NA

During the financial year under review, the term of office of Mr. A. Divakar as an Independent Director expired with effect from February 11, 2026, and consequently, he ceased to be a Member of the Stakeholders’ Relationship Committee. Mr. A. Veera Brahma Rao was appointed as an Additional Independent Director with effect from February 10, 2026 and was appointed as a member of the Stakeholders’ Relationship Committee with effect from February 12, 2026.

During the financial year 2025–26, one (1) meeting of the Stakeholders’ Relationship Committee was held on February 10, 2026.

The Terms of Reference of Stakeholders Relationship Committee are briefly set out below:

- Transfer/Transmission of shares
- issue of Duplicate Share Certificates.
- Review of Share dematerialization and rematerialization.
- Monitoring the expeditious Redressal of Investor Grievances.
- Monitoring the performance of company’s Registrar & Transfer Agent.
- All other matters related to the shares.

The Company Secretary of the Company also functions as the Compliance Officer.

The Secretarial Department of the Company and the Registrar and Share Transfer Agents viz. Kfin Technologies Limited attend to all grievances of the shareholders received directly or through SEBI, Stock Exchanges, Ministry of Corporate Affairs, Registrar of Companies, etc. The Minutes of the Stakeholders Relationship Committee Meeting is circulated to the Board of Directors for its noting at the Board Meeting.

During the year under review, no complaints (excluding those correspondences which are not in the nature of complaints) was received from a shareholder/investor directly or through regulatory authorities, which was promptly attended to and resolved to the satisfaction of the complainant. No investor grievances remained unattended/pending for more than twenty-one (21) days as on March 31, 2026.

3. (v) CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

The Corporate Social Responsibility Committee has been constituted by the Board of Directors of the Company in compliance to the provisions of Section 135 of the Companies Act, 2013 read together with the Companies (Corporate Social Responsibility Policy) Rules, 2014.

The Composition of the Corporate Social Responsibility Committee as at March 31, 2026 and details of Meetings held during the year and attendance thereof are given below:

Name of Director	Category	Position in the Committee	Meetings held and Attendance particulars	
			August 12, 2025	February 10, 2026
Prof. Dr. Braja Bandhu Nayak	Non-Executive Independent Director	Chairman	Yes	Yes
Mr. A. Divakar	Non-Executive Independent Director	Member	Yes	Yes
Mr. T. Gopichand	Chairman and Managing Director	Member	Yes	Yes
Mr. A. Veera Brahma Rao	Non-Executive Independent Director	Member	NA	NA

During the financial year under review, the term of office of Mr. A. Divakar as an Independent Director expired with effect from February 11, 2026, and consequently, he ceased to be a Member of the Corporate Social Responsibility Committee. Mr. A. Veera Brahma Rao was appointed as an Additional Independent Director with effect from February 10, 2026 and was appointed as a member of the Corporate Social Responsibility Committee with effect from February 12, 2026.

During the financial year 2025–26, two (2) meetings of the Corporate Social Responsibility Committee was held on August 12, 2025 and February 10, 2026.

The Terms of Reference of the Corporate Social Responsibility Committee of the Company are as under:

(i) To formulate and recommend to the Board, a Corporate Social Responsibility (CSR) Policy which shall indicate the CSR activities to be undertaken by the Company as specified in Schedule VII of the Companies Act, 2013 read together with the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amendment(s) thereof, if any, from time to time;

(ii) To recommend the amount of expenditure to be incurred on the CSR activities in a financial year;

(iii) To monitor the Corporate Social Responsibility Policy of the Company from time to time; and

(iv) Any other matter/things as may be considered expedient by the members in furtherance of and to comply with the Corporate Social Responsibility Policy of the Company.

The Company Secretary of the Company who acts as Secretary of the Committee was present at the Meetings and the necessary quorum was also present at each of the meetings. The Minutes of the Corporate Social Responsibility Committee Meeting(s) were noted at the Board Meeting(s).

The CSR Policy is available on the Company's website at: https://terasoftware.com/investors/corporate-social-responsibility-policy.

3. (vi) MANAGEMENT COMMITTEE

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.

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.

The Composition of the Management Committee as at March 31, 2026 and details of Meetings held during the year and attendance thereof are given below:

Name of the Member	Category	Position in the Committee	Meetings held and Attendance particulars			
			July 28, 2025	September 29, 2025	November 20, 2025	November 27, 2025
Mr. T. Gopichand	Chairman and Managing Director	Chairman	Yes	Yes	Yes	Yes
Mr. T. Madhu Mitra	Whole-Time Director	Member	Yes	Yes	Yes	Yes
Mr. A. Divakar	Non-Executive Independent Director	Member	Yes	Yes	Yes	Yes
Mr. A. Veera Brahma Rao	Non-Executive Independent Director	Member	NA	NA	NA	NA

During the financial year under review, the term of office of Mr. A. Divakar as an Independent Director expired with effect from February 11, 2026, and consequently, he ceased to be a Member of the Management Committee. Mr. A. Veera Brahma Rao was appointed as an Additional Independent Director with effect from February 10, 2026 and was appointed as a member of the Management Committee with effect from February 12, 2026.

During the financial year 2025–26, two (2) meetings of the Corporate Social Responsibility Committee was held on August 12, 2025 and February 10, 2026.

4. SENIOR MANAGEMENT (Other than MD/WTD):

Particulars of the Senior Management since the close of the previous financial year is given as hereunder:

Name of Director	Category	As on March 31, 2026	As on March 31, 2025
Mrs. D. Pravallika,	Chief Financial Officer (resigned and relieved w.e.f. 30-06-2026)	Yes	Yes
Mr. Ch. Mallikarjuna	Company Secretary & Compliance Officer	Yes	Yes
Mr. T. Rajasekhar	Vice-President	Yes	Yes
Mr. G. Anil Kumar	Chief Financial Officer (appointed w.e.f. 07-09-2026)	NA	NA

5. INDEPENDENT DIRECTORS' MEETING

During the year under review, a separate meeting of Independent Directors was held on February 10, 2026, inter-alia, to discuss:

(i) Evaluation and review of the performance of Non-Independent Directors and the Board of Directors as a whole;

(ii) Evaluation and review of the performance of the Chairman of the Company, taking into account the views of the Managing Director and Non-Executive Directors; and

(iii) Evaluation and access of the quality, content and timeliness of flow of information between the Company management and the Board of Directors that is necessary for the Board of Directors to effectively and reasonably perform its duties.

All the Independent Directors of the Company were present at the meeting.

6. 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, 2026. A declaration signed by the Managing Director is attached as Annexure to the Board's Report.

7. 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.

8. GENERAL BODY MEETINGS

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

Year	Date	Time	Venue	Special Resolution passed
2025	Friday, September 26, 2025	04:00 p.m.	Plot No.1107, Road No.55, Jubilee Hills, Hyderabad, Telangana, India-500033	1. Approval of an incentive to Mr. T. Madhu Mitra, WTD of the Company. 2. Approval to increase the remuneration of Mr. T. Madhu Mitra, WTD of the Company. 3. Approval of Managerial Remuneration to be paid to Mr. T. Gopichand, CMD of the Company. 4. Re-appointment and to fix the remuneration of Mr. T. Gopichand as CMD of the Company. 5. Approval of Remuneration of Mr. T. Gopichand, CMD and Mr. T. Madhu Mitra, WTD of the Company, in excess of limits prescribed under regulation 17(6) (e) of SEBI LODR Regulations. 6. Approval of overall Borrowing Limits under Section 180 (1) (c) of the Companies Act, 2013. 7. 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. 8. Approval to advance anu loan/give guarantee/ provide security under section 185 of the Companies Act 2013.
2024	Monday, September 09, 2024	04:00 p.m.	Plot No.1107, Road No.55, Jubilee Hills, Hyderabad, Telangana, India-500033	1. 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	1. To appoint Mr. Tummala Madhu Mitra (DIN: 07124242), as a Director (Marketing) of the Company and fix his remuneration. 2. To increase the remuneration of Mr. Tummala Gopichand (DIN: 00107886), Chairman and Managing Director of the Company.

(i) None of the businesses proposed to be transacted in the ensuing Annual General Meeting requires passing a Special Resolution through Postal Ballot mandatorily.

(ii) Postal Ballot:

During the financial year 2025-26, the Company sought approval of the members of the Company for the following Ordinary Resolutions, as set out in the Postal Ballot Notice dated February 10, 2026, by way of Postal Ballot including Remote e-Voting process pursuant to provisions of Section 110 and other applicable provisions, if any, of the Act read with rules framed thereunder, Listing Regulations and other applicable laws, rules and regulations (including any statutory amendment(s), modification(s) or re-enactment(s) thereof, for the time being in force):

Item No.1: Appointment of Mr. Veera Brahma Rao Arekapudi (DIN:07540040) as an Independent Director

Summary of the voting result of the Postal Ballot including Remote e-Voting declared at the Registered Office of the Company on March 26, 2026 is given as hereunder:

Description	Total number of votes cast infavour of the resolution		Total number of votes cast against the resolution	
	No. of Valid Votes Cast	Percentage of Votes Cast	No. of Valid Votes Cast	Percentage of Votes Cast
Item No. 1	5954467	99.93	4034	0.07

The resolution as set out in Item No. 1 have been duly passed by the Members of the Company with requisite majority.

Mr. Y. Ravi Prasada Reddy (Certificate of Practice No. 5360), Proprietor, M//s RPR & Associates, Company Secretaries in practice were appointed by the Board of Directors as the Scrutiniser(s) for conducting the Postal Ballot including Remote e-voting process in a fair & transparent manner.

9. MEANS OF COMMUNICATION

(a) Quarterly Financial Results:

Quarterly financial results are taken on record by the Board of Directors and submitted to the Stock Exchanges as per requirements of the Listing Regulations.

(b) Newspapers wherein results are normally published:

English Newspaper – Financial Express (All editions)

Vernacular Newspaper – Nava Telangana (Hyderabad edition)

(c) Any website, where displayed: https://www.terasoftware.com

(d) Whether it also displays official news releases: No

(e) The presentations made to institutional investors or to the analysts: Nil

10. GENERAL SHAREHOLDER INFORMATION

A. Annual General Meeting:

Day and Date	Time	Venue
Tuesday, September 29, 2026	03:00 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 2026-27 is as under:

Particulars	Period
Results for quarter ending June 30, 2026	On or before August 14, 2026
Results for quarter ending September 30, 2026	On or before November 14, 2026

Results for quarter ending December 31, 2026	On or before February 14, 2026
Results for the quarter and year ending March 31, 2027	On or before May 30, 2026

C. Dividend payment date: On or before October 28, 2026.

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 2025-26 as well as 2026-27 to the above Stock Exchanges.

F. Custodial Fees to Depositories:

The Company has paid custodial fees for the year 2025-26 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'): KFin Technologies Limited ('KFin')

I. Share transfer system:

It is now mandatory for listed companies to issue securities in dematerialised mode only while processing any investor service request viz. issue of duplicate securities certificates, claim from unclaimed suspense account, renewal/ exchange of securities certificate, endorsement, sub-division/ splitting of securities certificate, consolidation of securities certificates/ folios, transmission and transposition, in compliance with Regulation 40 of the Listing Regulations.

The requirement of issuance of Letter of Confirmation (LOC) has been done away with in terms of SEBI Circular No. HO/38/13/(3)2026-MIRSD-POD/I/3763/2026 dated January 30, 2026. Under the revised framework effective from April 2, 2026, RTA shall directly credit securities to the demat account of the investor, after carrying out necessary due diligence. This will reduce the timeline for credit of securities from approximately 150 days to 30 days, while also mitigating risks associated with loss or pilferage of LOC. Investor service requests shall be accompanied with a copy of latest Client Master List (CML) of the demat account, not older than two months and duly attested by the Depository Participant.

Special Window for Re-lodgement of Transfer Requests of Physical Shares:

Pursuant to SEBI Circular No. HO/38/13/11(2)2026-MIRSD-POD/I/3750/2026 dated January 30, 2026, another Special Window for transfer and dematerialisation ("demat") of physical securities has been opened for a period of one year from February 5, 2026 to February 4, 2027, for those investors who had sold/purchased physical securities of the Company prior to April 1, 2019; and (i) had not lodged the physical securities for transfer; or (ii) had lodged the physical securities for transfer but the same were rejected/returned/not attended to due to deficiency in the documents/process/ or otherwise.

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

J. Distribution of shareholding as on March 31, 2026;

S.No.	Category	No. of Cases	% of Cases	Amount	% of Amount
1	1-5000	13673	89.44	10896490	8.71
2	5001- 10000	681	4.45	5406460	4.32
3	10001- 20000	467	3.06	6744500	5.39
4	20001- 30000	163	1.07	4086970	3.27
5	30001- 40000	78	0.51	2701620	2.16
6	40001- 50000	32	0.21	1494770	1.19
7	50001- 100000	103	0.67	7281500	5.82
8	100001 & Above	89	0.59	86506440	69.14
	Total	15286	100.00	125118750	100.00

K. Shareholding Pattern as on March 31, 2026:

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	79	335616	2.68
	Individual shareholders	14718	5549361	44.35
	Non-Resident Indians	215	148690	1.19
	HUF	263	435137	3.48
	Investor Education & Protection Fund (IEPF)	1	85168	0.68
	Foreign Portfolio - Corp	1	10476	0.09
	Total:	**15286**	**12511875**	**100.00**

L. Dematerialization of shares and liquidity;

Mode of Shares held as on March 31, 2026	No. of Shares held	Percentage to total shareholding
Dematerialized form in CDSL	27,83,601	22.25%
Dematerialized form in NSDL	96,83,978	77.40%
In Physical form	44,296	0.35%
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

11. CREDIT RATING

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:

Facilities	Amount (Rs. Crores)	Existing	Revision/Upgrade
Long Term Fund Based Bank Facilities – Cash Credit	24.00	IVR BB+/ Stable (IVR Double B Plus with Stable Outlook)	IVR BBB-/ Stable (IVR Triple B Minus with Stable Outlook)
Long Term Non-Fund Based Bank Facilities – Bank Guarantee	41.00	IVR BB+/ Stable (IVR Double B Plus with Stable Outlook)	IVR BBB-/ Stable (IVR Triple B Minus with Stable Outlook)
Proposed Long Term Non-Fund Based Bank Facilities – Bank Guarantee	385.00 (enhanced from 33.30)	IVR BB+/ Stable (IVR Double B Plus with Stable Outlook	IVR BBB-/ Stable (IVR Triple B Minus with Stable Outlook)
Proposed Long Term Fund Based Bank Facilities – Cash Credit	50.00	--	IVR BBB-/ Stable (IVR Triple B Minus with Stable Outlook
Total	500.00 (Rupees Five hundred Crores Only)		

12. OTHER DISCLOSURES

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

There were no materially significant related party transactions during the financial year 2025-26 which are considered to have potential conflict with the interests of the Company at large. Particulars and nature of transactions with the related parties in summary form, entered into during the year ended March 31, 2026, in the ordinary course of business of the Company and at arm's length basis are disclosed in compliance with the Indian Accounting Standard on "Related Party Disclosures" in Notes to financial statements in the Annual Report.

(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 except the following:

Regulations	Month	Late submission	Due Date	Submission Date	No of Days delay	Fine Levied (In Rs)
SOP-Reg-34	Mar-25	Late submission of Annual Report	03-09-2025	04-09-2025	1	2000 by each BSE and NSE

(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 adopted a Vigil Mechanism/Whistle Blower Policy for developing a culture where it is safe for all directors/ employees to raise concerns about any unacceptable practice and any event of misconduct. The Policy allows unrestricted access to all employees and others to approach the Audit Committee and there has been no instance during the year where any personnel has been denied access to the Audit Committee. The quarterly report with number of complaints received, if any, under the policy and their outcome is placed before the Audit Committee.

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

The Company has generally complied with all the mandatory requirements as stipulated under Regulation 34(3) read with Para C of Schedule V of the Listing Regulations, to the extent applicable to the Company.

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

None of the wholly owned subsidiary companies of the Company is an unlisted material subsidiary as defined in Regulation 24 of the Listing Regulations. Accordingly, requirement to nominate an independent director of the Company on the Board of any subsidiary is not applicable for the time being. The Minutes of the validly held Board Meetings of the subsidiary/ wholly owned unlisted subsidiary company are circulated alongwith agenda and are also placed before the Meeting(s) of the Board of Directors of the Company. The Policy for determining the 'material' subsidiaries is in accordance with the definition of 'material subsidiary' as contained in Regulation 16(1)(c) of the Listing Regulations and the same can be accessed on the website of the Company 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 Company has formulated a policy on materiality of Related Party Transactions and also 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 obtained 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:

Total fees for all services paid by the Company, on a consolidated basis, to the Statutory Auditors of the Company was Rs.13 Lakhs. The firm of Statutory Auditors of the Company does not have any network firm/network entity of which the Statutory Auditors are a part as per confirmation obtained from it.

(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:

There is no loans and advances in the nature of loans to any firm/company in which directors are interested.

13. 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.

14. 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

	T. Madhu Mitra	**T. Gopichand**
Date : August 11, 2026	Whole-Time Director	Chairman and Managing Director
Place: Hyderabad	DIN: 07124242	DIN: 00107886

Annexure C

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

(For the Financial Year 2025–26)

1. Industry Structure and Developments

The Information Technology (IT) and e-Governance sector in India continued to witness steady growth during the Financial Year 2025–26, supported by the Government's continued emphasis on digital transformation, enhancement of public service delivery and development of digital infrastructure. Various flagship programmes, including Digital India, BharatNet, Smart Cities Mission and digital governance initiatives across Central and State Governments, have accelerated the adoption of technology-driven solutions.

Increasing investments in broadband connectivity, digital public infrastructure, smart utility management, revenue administration, citizen-centric services and data digitization have created significant opportunities for technology companies with proven project execution capabilities. The growing focus on transparency, operational efficiency and digital inclusion continues to drive demand for integrated IT solutions and e-Governance services across the country.

Leveraging its extensive experience in executing large-scale Government projects, Tera Software Limited ("TSL") continues to strengthen its position as a trusted technology partner in the areas of e-Governance, digital infrastructure, system integration and managed IT services. The Company's diversified presence across multiple States and strong domain expertise provide a solid platform for sustainable growth.

2. Business Overview

During the Financial Year 2025–26, the Company further strengthened its business portfolio through successful execution of ongoing projects and the securing of new contracts across its core business segments, including e-Governance, BharatNet, Smart Cities, utility automation and digital transformation initiatives.

Some of the major projects executed and secured during the year include:

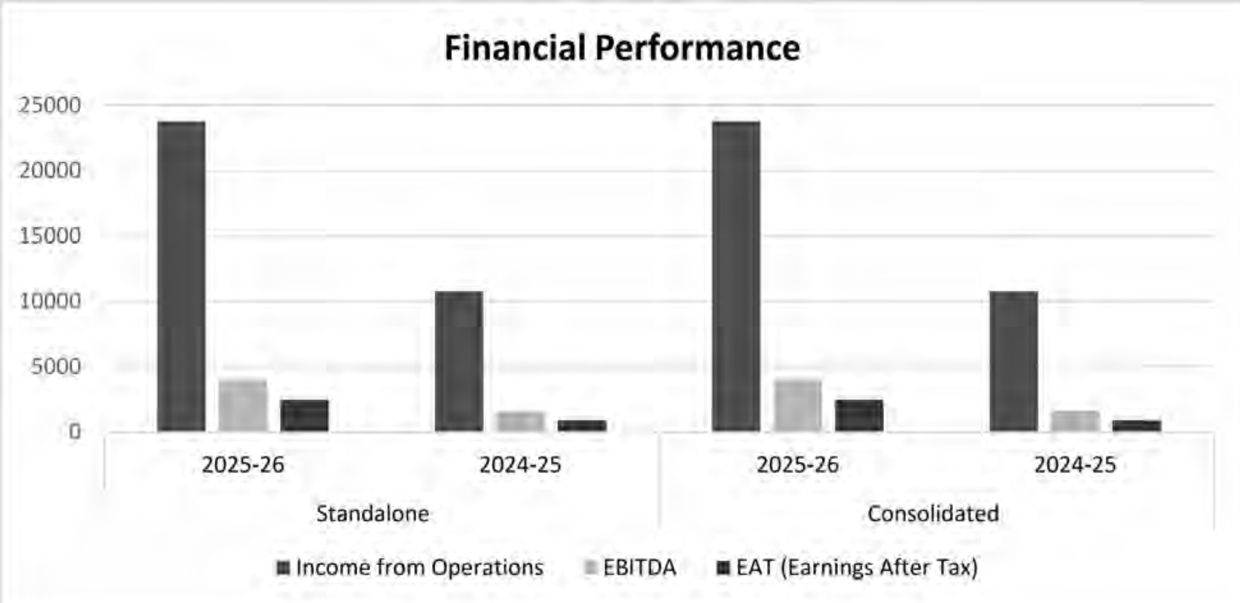
- **BharatNet Projects:** Successfully completed the Odisha BharatNet Phase-II Project and secured the BSNL BharatNet Phase-III Middle Mile Network Project with a total contract value of ₹7,005.55 Crores, of which the Company's share is ₹3,502.78 Crores.
- **Smart Cities:** Continued implementation of the Davangere Smart City ICT Project, including the establishment of Integrated Command and Control Centres (ICCC) and deployment of integrated ICT infrastructure.
- **Spot Billing Projects:** Successfully completed major spot billing projects for PVVNL and DVVNL and secured fresh orders from PUVVNL, DVVNL and MVVNL aggregating ₹273.11 Crores for the period 2025–27.
- **Digitization and Modern Record Rooms:** Successfully completed projects for the Revenue Department, Government of Jharkhand, and continued execution of the e-Mahabhoomi Project in the State of Maharashtra.

With operations spanning more than 22 States across India, the Company continues to expand its presence in the e-Governance and digital infrastructure space while focusing on operational excellence, timely project execution and long-term value creation for its stakeholders.

3. The financial performance of the Company is summarized below:

(Rs. in Lakhs)

PARTICULARS	Standalone		Consolidated	
	Financial Year 2025-26	Financial Year 2024-25	**Financial Year 2025-26**	Financial Year 2024-25
Income from Operations	**23804.53**	10764.38	**23804.53**	10764.38
Oher Income	**392.99**	406.11	**392.99**	406.11
Total Income	**24197.52**	11170.49	**24197.52**	11170.49
EBITDA	**4063.43**	1634.97	**4063.04**	1634.38
Less: Finance Cost	**744.57**	379.18	**744.57**	379.18
EBTDA	**3318.86**	1255.79	**3318.47**	1255.2
Less: Depreciation	**70.83**	13.59	**70.83**	13.59
EBT	**3248.03**	1242.20	**3247.64**	1241.61
Less: Exceptional Items	**0.00**	4.26	**0.00**	4.26
Less: Tax Expenses	**767.56**	295.86	**767.56**	295.86
EAT (Earnings After Tax)	**2480.47**	942.08	**2480.07**	941.49
Profit/Loss carried to B/S	**2477.67**	995.89	**2477.28**	995.30
EPS (Basic & Diluted)	**19.82**	7.53	**19.82**	7.52



Financial Highlights

- Revenue from Operations increased to ₹23,804.53 Lakhs from ₹10,764.38 Lakhs in the previous year, registering a growth of 121.14%.
- EBITDA increased to ₹4,063.43 Lakhs as against ₹1,634.97 Lakhs in FY 2024-25, reflecting improved operating performance.
- Profit After Tax (PAT) stood at ₹2,480.47 Lakhs, compared to ₹942.08 Lakhs in the previous year, representing a growth of approximately 163.29%.
- Earnings Per Share (EPS) increased from ₹7.53 to ₹19.82, reflecting enhanced profitability and value creation for shareholders.

4. Opportunities and Threats

Opportunities

The Company continues to operate in a sector that offers significant long-term growth potential, driven by the Government of India's continued focus on digital transformation and infrastructure development. The key opportunities for the Company include:

- Growing investments in Digital India, BharatNet, Smart Cities, and other e-Governance initiatives by Central and State Governments.
- Increasing demand for fiber network infrastructure, system integration, digital public services, smart utility solutions, and citizen-centric technology platforms.
- Expansion opportunities in digital transformation projects across sectors such as utilities, revenue administration, healthcare, education, urban development and public service delivery.
- Strong order book and execution capabilities, providing sustained revenue visibility and opportunities for business growth.
- Increasing adoption of emerging technologies such as cloud computing, IoT, GIS-based solutions, data analytics and artificial intelligence in Government and enterprise projects.

Threats

While the Company is well positioned to capitalize on emerging opportunities, it continues to face certain business risks and challenges, including:

- Dependence on Government and Public Sector projects, where project execution and revenue realization may be affected by administrative approvals and procedural delays.
- Lengthy receivable cycles and working capital requirements associated with large infrastructure and e-Governance projects.
- Intense competition from established domestic and multinational IT companies, leading to pricing pressures and competitive bidding.

- Rapid technological advancements requiring continuous investments in technology, innovation and skilled human resources.
- Changes in Government policies, regulatory framework, contractual terms or project implementation schedules that may impact business operations and project timelines.

The Company continuously reviews these risks through an established risk management framework and remains focused on strengthening operational efficiency, financial discipline, project execution capabilities and customer satisfaction to achieve sustainable long-term growth.

5. Outlook

The Company remains optimistic about its future growth prospects, supported by a healthy order book, expanding opportunities in the e-Governance, Digital Infrastructure, Telecom and IT Services sectors, and continued Government focus on digital transformation initiatives.

With ongoing execution of major BharatNet Phase-III projects, strengthening presence in smart infrastructure, utility automation and digital governance solutions, the Company is well positioned to capitalize on emerging business opportunities. The management remains focused on improving operational efficiency, timely project execution, prudent financial management and sustainable long-term value creation for all stakeholders.

6. Risks and Concerns

The Company continues to operate in a dynamic business environment where project execution, regulatory developments and economic conditions may influence business performance. Key risks include dependence on Government projects, delays in customer approvals and payments, technology changes, and competitive market conditions.

To address these risks, the Company has implemented appropriate risk management practices, strengthened internal monitoring mechanisms, and continues to focus on efficient project execution, financial discipline and effective compliance systems.

7. Internal Control Systems and Their Adequacy

The Company has established an adequate system of internal financial controls commensurate with the size, nature and complexity of its business operations. These controls are designed to ensure the safeguarding of assets, accuracy and reliability of financial reporting, compliance with applicable laws and regulations, operational efficiency and adherence to established policies and procedures.

The Company has an independent Internal Audit function, and the internal audit programme covers all significant operational and financial areas based on a risk-based audit approach. The observations and recommendations of the Internal Auditors are periodically reviewed by the management, and corrective actions are implemented wherever necessary.

The Audit Committee of the Board regularly reviews the adequacy and effectiveness of the internal control systems, internal audit findings, risk management framework and compliance mechanisms. Based on such reviews, the management believes that the Company's internal control systems are adequate and operating effectively.

8. Human Resources Development

The Company firmly believes that its employees are its most valuable asset and continues to invest in building a competent, motivated and performance-driven workforce. Human resource initiatives are focused on enhancing employee capabilities, strengthening leadership, fostering innovation and promoting a collaborative work culture.

The Company continues to emphasize:

- Continuous learning, technical skill enhancement and professional development programmes.
- Employee engagement, performance management and career development initiatives.
- A safe, inclusive and ethical work environment that encourages teamwork, innovation and accountability.
- Talent acquisition and retention strategies to support the Company's expanding business operations.

As on March 31, 2026, the Company had a dedicated team of professionals comprising technical experts, project management personnel and support staff who continue to contribute towards the successful execution of the Company's projects and achievement of its business objectives. The industrial relations during the year remained cordial.

9. Cautionary Statement

Statements made in this Management Discussion and Analysis Report describing the Company's objectives, projections, estimates, expectations or predictions may constitute "forward-looking statements" within the meaning of applicable securities laws and regulations. These statements are based on certain assumptions and expectations of future events and are subject to various risks and uncertainties.

Actual results may differ materially from those expressed or implied in such forward-looking statements due to factors including, but not limited to, changes in economic conditions, Government policies, regulatory developments, competitive environment, project execution schedules, customer requirements and other factors beyond the Company's control.

The Company undertakes no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as required under applicable laws.

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:

	Particulars	Numerator	Denominator	31.03.2026	31.03.2025	Variance
a)	Current Ratio	Current assets	Current liabilities	1.69	2.01	-16%
b)	Debt-Equity ratio	Total Debt	Shareholders' equity	0.27	0.16	66%
c)	Debt service coverage ratio	Earnings available for debt service	Debt service	5.46	4.31	27%
d)	Return on equity ratio	Net Profit after taxes	Equity	0.17	0.08	121%
e)	Inventory turnover ratio	Turnover	Closing Inventory	-	-	0.00%
f)	Trade receivable turnover ratio	Turnover	Closing Receivables	1.50	0.79	90%
g)	Trade payable turnover ratio	Purchases	Closing Payables	-	-	0.00%
h)	Net capital turnover ratio	Net Sales	Working Capital	2.04	1.21	68%
i)	Net profit ratio	Net profit after Tax	Net Sales	0.10	0.09	19%
j)	Return on capital employed ratio	Earnings Before Interest & Taxes	Capital employed	0.22	0.11	89%
k)	Return on Investment	Net income	Value of equity at the beginning	0.20	0.08	142%

Current Ratio (-16%)

The Current Ratio declined from 2.01 to 1.69, primarily driven by an increase in current liabilities. This rise in working capital liabilities supported expanded business operations and project execution during the year, which ultimately led to a 121% increase in turnover. Despite the decline, the ratio continues to indicate adequate liquidity to meet the Company's short-term obligations.

Debt-Equity Ratio (+66%)

The Debt-Equity Ratio increased from 0.16 to 0.27 mainly due to higher utilization of borrowings to support working capital requirements and execution of large-value projects awarded during the year. Despite the increase, the Company's leverage remains at a comfortable level.

Debt Service Coverage Ratio (+27%)

The Debt Service Coverage Ratio increased from 4.31 to 5.46 mainly due to the Company received additional loans from the Directors, resulting in an increase in debt. Consequently, the finance cost increased due to the interest expense on these fresh borrowings, which led to an increase in the Debt Service Coverage Ratio.

Return on Equity (+121%)

Return on Equity improved significantly owing to substantial growth in profit after tax during the year, supported by higher revenue from operations and improved operating margins.

Trade Receivable Turnover Ratio (+90%)

The Trade Receivable Turnover Ratio improved considerably due to higher revenue generation and more efficient collection of trade receivables during the year, reflecting improved receivables management.

Net Capital Turnover Ratio (+68%)

The Net Capital Turnover Ratio improved due to better utilization of working capital and increased revenue from operations, indicating improved operational efficiency.

Net Profit Ratio (+19%)

The Net Profit Ratio improved as a result of higher revenue, better project execution, effective cost management and improved operational efficiencies during the year.

Return on Capital Employed (+89%)

The Return on Capital Employed improved significantly owing to higher earnings before interest and tax (EBIT) generated from improved business performance and efficient utilization of capital employed.

Return on Investment (+142%)

The substantial increase in Return on Investment is primarily attributable to significantly higher net earnings during the year compared to the previous year, resulting in improved returns on the investments made by the Company.

Annexure - D

Annexure - II

Report on Corporate Social Responsibility as per Rule 8 of Companies (Corporate Social Responsibility Policy) Rules, 2014

For the Financial Year 2025-26

1. Brief outline on CSR Policy of the Company:

   As per the provisions of the Companies Act, 2013 and rules framed thereunder, the Company has formulated its CSR Policy with the vision to actively focus, interalia, on CSR activities, projects and programmes relating to:

   - 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 (Non-Executive & Independent Director)	2	2
2	Mr. Divakar Atluri	Member (Non-Executive & Independent Director)	2	2
3	Mr. T. Gopichand	Member (Chairman & Managing Director)	2	2
4	Mr. A. Veera Brahma Rao	Member (Non-Executive & Independent Director)	2	NA

   During the financial year under review, the term of office of Mr. A. Divakar as an Independent Director expired with effect from February 11, 2026, and consequently, he ceased to be a Member of the Corporate Social Responsibility Committee. Mr. A. Veera Brahma Rao was appointed as an Additional Independent Director with effect from February 10, 2026 and was appointed as a member of the Corporate Social Responsibility Committee with effect from February 12, 2026.

   During the financial year 2025–26, two (2) meetings of the Corporate Social Responsibility Committee was held on August 12, 2025 and February 10, 2026.

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 7of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any: NIL

6. (a) Average net profit of the company as per section 135(5): Rs. 1,80, 20,629.30
   (b) Two percent of average net profit of the company as per section 135(5): Rs.3,60,412.58
   (c) Surplus arising out of the CSR projects or programmes or activities of the previous financial years: NIL
   (d) Amount required to be set off for the financial year, if any: NIL
   (e) Total CSR obligation for the financial year (7a+7b-7c): Rs.3,60,412.58

7 (a) CSR amount spent or unspent for the financial year 2025-26:

Total Amount Spent for the Financial Year (in Rs.)	Amount Unspent (in Rs.)				
	Total Amount transferred to Unspent		Amount transferred to any fund specified under Schedule VII as per second proviso to section135(5)		
	Amount in Rs.	Date of transfer	Name of the Fund	Amount	Date of transfer
3,60,420	Nil	NA	NA	NA	NA

(b) Details of CSR amount spent in the FY 2025-26 against ongoing project for the financial year 2024-25: NIL

(c) Details of CSR amount spent against other than ongoing projects for the financial year 2025-26:

(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 allocated for the project (in ₹)	Mode of implem -entation - Direct (Yes/No	Mode of implementation - Through implementing agency	
				State	District			Name	CSR registration number
1	development activities - repair/re-construction of roof, whitewashing, and allied infrastructure improvement works at Rythu Bharosa Kendra / MPP School, Telugurao Palem, Ghantasala Mandal, promotion of education, rural development, and community welfare.	promotion of education, rural development, and community welfare.	Yes	Andhra Pradesh	Krishna District	3,60,420/-	Direct	NA	NA

(d) Amount spent in Administrative Overheads: **Nil**

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

(f) Total amount spent for the Financial Year (8b+8c+8d+8e): **Rs.3,60,420/-**

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

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

(b) Details of CSR amount spent in the financial year 2025-26 for ongoing projects of the preceding financial year(s): **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):

(a) Date of creation or acquisition of the capital asset(s): **Not Applicable**

(b) Amount of CSR spent for creation or acquisition of capital asset: **Not Applicable**

(c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.: **Not Applicable**

(d) Details of the capital asset(s) created or acquired (including complete address and location of the capital asset): **Not Applicable**

11. Reason(s), if the company has failed to spend two per cent of the average net profit as per section135(5) – **Not Applicable**

For and on behalf of the Board

D. Pravallika
Chief Financial Officer

T. Gopichand
Chairman and Managing Director
DIN: 00107886

Date : May 18, 2026
Place: Hyderabad

Annexure-E

Form No. MR-3

SECRETARIAL AUDIT REPORT

For the financial year ended on 31.03.2026

[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 our 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 March 31, 2026 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 March 31, 2026 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, 2018; **[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 (Share Based Employee Benefits and Sweat Equity) Regulations, 2021; **[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 Non-Convertible Securities) Regulations, 2021; **[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 (Depositories and Participants) Regulations, 2018;

  (h) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) (Amendment) Regulations, 2018 regarding the Companies Act and dealing with client;

  (i) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; **[The Listed entity didn't take any action which attracts the provisions of these Regulations during the period under review]**

(j) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; **[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, except that a fine of Rs. 2,360/- each was imposed by BSE and NSE under Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, for a one-day delay in submission of the Annual Report for FY 2024-25, which fine has been paid by the Company to both the Stock Exchanges.

We further report that

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.

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.

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.

We further report that

During the audit period, except for the one-day delay in submission of the Annual Report for FY 2024-25 under Regulation 34 of SEBI (LODR) Regulations, 2015, for which a fine of Rs. 2,360/- each was imposed by BSE and NSE and paid by the Company, there were no other specific events / actions having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc.

We further report that

The compliance by the Company of applicable financial laws, such as direct and indirect tax laws, and maintenance of financial records and books of accounts has not been reviewed in this Report, since the same falls within the scope of statutory financial audit and other designated professionals.

For RPR & Associates
Practicing Company Secretaries

Y. Ravi Prasada Reddy
Proprietor
M No: F5783 | CP No: 5360
Peer Review Certificate No: 8237/2026
UDIN: F005783H001069384

Date: 11.08.2026
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'

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 RPR & Associates
Practicing Company Secretaries

Y. Ravi Prasada Reddy
Proprietor
M No: F5783 | CP No: 5360
Peer Review Certificate No: 8237/2026
UDIN: F005783H001069384

Date: 11.08.2026
Place: Hyderabad

ANNUAL SECRETARIAL COMPLIANCE REPORT

[Pursuant to Regulation 24A(2) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with circular dated February 8, 2019, issued by SEBI and amendments thereof]

Annual Secretarial Compliance Report of M/s. Tera Software Limited for the financial year ended March 31, 2026.

We, M/s. RPR & Associates, Company Secretaries represented by Mr. Y Ravi Prasada Reddy, Proprietor, have examined:

(a) all the documents and records made available to us and explanation provided by M/s. Tera Software Limited ("the listed entity"), CIN: L72200TG1994PLC018391, having its registered office at 8-2-293/82/A/1107, Plot No. 1107, Road No. 55, Jubilee Hills, Hyderabad, Telangana, 500033.

(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 Report.

for the financial year ended March 31, 2026 ("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;

(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 as there was no reportable event during the financial year under review;**

(e) Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 - **Not Applicable as there was no reportable event during the financial year under review;**

(f) Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 - **Not Applicable as there was no reportable event during the financial year under review;**

(g) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 and amendments thereof;

(h) Securities and Exchange Board of India (Depositories and Participants) Regulations 2018;

(i) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) (Amendment) Regulations, 2018, regarding the Companies Act and dealing with clients;

(j) Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 - **Not Applicable as there was no reportable event during the financial year under review;**

(k) Securities and Exchange Board of India (Issue and Listing of Non-Convertible and Redeemable Preference Shares) Regulations, 2013 - **Not Applicable as there was no reportable event during the financial year under review;**

(l) other regulations as applicable.

and circulars / guidelines issued thereunder and the additional affirmations as per the circulars issued by the stock exchanges dated March 16, 2023 and subsequent amendments thereto;

Based on the above examination, we hereby report that, during the Review Period:

(a) The listed entity has complied with the provisions of the above Regulations and circulars / guidelines issued thereunder, 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 (Advisory / Clarification / Fine / Show Cause Notice / Warning etc.)	Details of Violation	Fine Amount	Observations / Remarks of the PCS	Management Response	Remarks
1	Submission of the Annual Report within the prescribed period under SEBI LODR.	Regulation 34 of SEBI (LODR) Regulations, 2015	Delay in submission of the Annual Report for the FY 2024-25	BSE & NSE	Penalty / Fine imposed	One day delay in submission of the Annual Report for the FY 2024-25	Rs.2,360/- by each stock exchange	Management requested for waiver, however stock exchanges not considered.	Assure that the Company will take all necessary measures to ensure timely compliance in future.	Fine amount paid to both BSE & NSE

Note: In addition to above, the stock exchanges have sought clarifications during the FY 2025-26 and the listed entity has clarified accordingly.

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

Sr No	Observations / Remarks of the PCS in the previous reports	Observations made in secretarial compliance report for the year ended	Compliance Requirement (Regulations / circulars / guidelines including specific clause)	Details of violation / deviations and actions taken / penalty imposed, if any, on the listed entity	Remedial actions, if any, taken by the listed entity	Comments of the PCS on the actions taken by the listed entity
1	NA	NA	NA	NA	NA	NA

Note: No observations in the previous report for the year 2024-25.

We hereby report that, during the Review Period the compliance status of the listed entity with the following requirements:

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 of India (ICSI).	Yes	-
2.	Adoption and timely updation of the Policies: • 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 have been reviewed & updated on time, as per the regulations / circulars / guidelines issued by SEBI.	Yes	-
3.	Maintenance and disclosures on Website: • 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 redirects to the relevant document(s)/section of the website.	Yes	-
4.	Disqualification of Director(s): • None of the director(s) of the listed entity is/are disqualified under Section 164 of Companies Act, 2013 as confirmed by the listed entity.	Yes	-
5.	Details related to subsidiaries of listed entities have been examined w.r.t.: • Identification of material subsidiary companies. • Disclosure requirement of material as well as other subsidiaries.	Yes	The Company is having one subsidiary which is not a material subsidiary.

Sr. No.	Particulars	Compliance Status (Yes / No / NA)	Observations / Remarks by PCS*
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 / during the 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	-
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: Action(s) has been taken against the listed entity by Stock Exchanges (including under the Standard Operating Procedures issued by SEBI through various circulars) under SEBI Regulations and circulars / guidelines issued thereunder.	As mentioned in the above table.	
12.	Resignation of statutory auditors from the listed entity or its material subsidiaries: In case of resignation of statutory auditor from the listed entity or any of its material subsidiaries during the financial year, the listed entity and / or its material subsidiary(ies) has / have complied with paragraph 6.1 and 6.2 of section V-D of chapter V of the Master Circular on compliance with the provisions of the LODR Regulations by listed entities.	NA	There were no such instances occurred during the review period
13.	Additional non-compliances, if any: No additional non-compliances observed for any SEBI regulation / circular / guidance note etc. except as reported above.	Yes	-

We further, report that the listed entity is in compliance/ not in compliance with the disclosure requirements of Employee Benefit Scheme Documents in terms of regulation 46(2) (za) of the LODR Regulations read with the SEBI Circular for implementation of recommendations of the Expert Committee for facilitating ease of doing business for listed entities dated December 31, 2024. – **Not applicable during the review period.**

Assumptions & Limitation of Scope and Review

1. Compliance of the applicable laws and ensuring the authenticity of documents and information furnished, are the responsibilities of the management of the listed entity.
2. Our responsibility is to report based upon our examination of relevant documents and information. This is neither an audit nor an expression of opinion.
3. We have not verified the correctness and appropriateness of financial records and books of account of the listed entity.
4. This report is solely for the intended purpose of compliance in terms of Regulation 24A(2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and is neither an assurance as to the future viability of the listed entity nor of the efficacy or effectiveness with which the management has conducted the affairs of the listed entity.

For RPR & Associates
Practicing Company Secretaries

Y. Ravi Prasada Reddy
Proprietor
M No: F5783 | CP No: 5360
Peer Review Certificate No: 1425/2021
UDIN: F005783H000246397

Date: 30th April, 2026
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 2025-26

Name of the Director	Designation	Ratio to Median Remuneration of the employees
Sri. T. Gopichand	Chairman and Managing Director	286
Sri. T. Madhu Mitra	Whole-time Director	69

(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 2025-26

Name of the Director/ KMP	Designation	Remuneration (per annum)	Percentage increase in remuneration
Sri. T. Gopichand	Chairman and Managing Director (CMD)	1,08,00,000	Nil
Sri. T. Madhu Mitra	Whole-time Director (WTD)	26,20,000	29.70
Sri. Ch. Mallikarjuna	Company Secretary	12,00,000	14.31
Ms. D. Pravallika	Chief Financial Officer	10,12,003	6.00

Note:

(i) In addition to remuneration Commission: @ 1% on the net profits of the Company w.e.f. 01/09/2026 to Mr. T. Gopichand, CMD has been approved by the members at their AGM held on 26/09/2025.

(ii) a one time incentive of Rs.5.10 Crores to Mr. T. Madhu Mitra, WTD has been approved by the members at their AGM held on 26/09/2025.

(iii) The percentage increase in the median remuneration of employees in the financial year 2025-26

The median remuneration of employees of the Company as on March 31, 2026 is Rs. 37,776/- In the financial year, there was an increase of Nil% in the median remuneration of employees.

(iv) The number of permanent employees on the rolls of company as on March, 2026

There were 4336 permanent employees on the rolls of Company as on March 31, 2026.

(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 4%. The average increase in managerial remuneration was 29.70%.

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

(i) 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;

(ii) 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

T. Madhu Mitra
Whole-Time Director
DIN: 07124242

T. Gopichand
Chairman and Managing Director
DIN: 00107886

Date : August 11, 2026
Place: Hyderabad

Annexure-G

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 2025-26.

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	16-05-2025	Nil
2.	Mr. T. Bapaiah Chowdary, Director and Proprietor of M/s. Raja Enterprises	Sitting Fees	NA	In the normal course of business	16-05-2025	Nil
3.	Mr. T. Madhu Mitra, Whole-Time Director	Remuneration	NA	In the normal course of business	16-05-2025	Nil
4.	Mrs. T. Vindhya W/o Mr. T. Madhu Mitra	Remuneration	NA	In the normal course of business	16-05-2025	Nil
5.	Mr. T. Girish (Son of Mr. T. Bapaiah Chowdary)	Remuneration	NA	In the normal course of business	16-05-2025	Nil
6.	Mr. T. Rajasekhar, VP	Remuneration	NA	In the normal course of business	16-05-2025	Nil
7.	Ms. D. Pravallika, CFO	Remuneration	NA	In the normal course of business	16-05-2025	Nil
8.	Mr. Ch. Mallikarjuna, Company Secretary	Remuneration	NA	In the normal course of business	16-05-2025	Nil

For and on behalf of the Board

T. Madhu Mitra
Whole-Time Director
DIN: 07124242

T. Gopichand
Chairman and Managing Director
DIN: 00107886

Date : August 11, 2026
Place: Hyderabad

Annexure-H

**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, 2026.

For Tera Software Limited

Tummala Gopichand
Chairman & Managing Director
DIN: 00107886

Date:August 11, 2026
Place: Hyderabad

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 the Directors of TERA SOFTWARE LIMITED (CIN: L72200TG1994PLC018391) having its Registered Office at 8-2-293/82/A/1107, Road No-55, Plot No-1107, Jubilee Hills, Hyderabad-500033, Telangana (the Company), produced before us by the Company for the purpose of issuing this Certificate, in terms of Regulation 34(3) read with Schedule V Para-C Sub-clause 10(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, for the Financial Year ended on March 31, 2026, along with the records available with the Registrar of Companies.

In our opinion and to the best of our 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, for the Financial Year ended March 31, 2026, 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:

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	09702361	Prof. Dr. Braja Bandhu Nayak	Independent Director
4	03601565	Smt. V. Usha Rani	Independent Director
5	07540040	Sri. Veerabrahma Rao Arekapudi	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
Proprietor
M. No: 5783 / CP No: 5360
Peer Review Certificate No: 8237/2026
UDIN: F005783H001069417

Date: August 11, 2026
Place: Hyderabad

Annexure-J

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 compliance of the conditions of Corporate Governance by TERA SOFTWARE LIMITED ("the Company") for the financial year ended March 31, 2026, 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 the SEBI (Listing Obligations and Disclosure 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
Proprietor
M No: F5783 | CP No: 5360
Peer Review Certificate No: 8237/2026
UDIN: F005783H001069395

Date: August 11, 2026
Place: Hyderabad

Annexure-K

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, T. Gopichand, Chairman & Managing Director and D. Pravallika, Chief Financial Officer of the Company Certify that:

a) We have reviewed the financial statements and cash flow statement for the year ended March 31, 2026 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 March 31, 2026 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.

Date: May 9, 2026	**D. Pravallika**	**T. Gopichand**
Place: Hyderabad	Chief Financial Officer	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 Standalone Balance Sheet as at March 31, 2026, the Statement of Standalone Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the standalone 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, 2026 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	**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, demands and tax/duty positions. We reviewed status of disputes and representation taken from the management, perused the response filed before the statutory authorities, discussed with appropriate senior management and evaluated the management's underlying key assumptions. We assessed management's perception of the possible outcome of the disputed cases on these uncertain claims and tax positions and assessed the appropriate disclosures in the financials.

Other Information

The Company's Management and 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 are responsible for the matters stated in section134(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 safeguarding 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.

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 Section143(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 Standalone Balance Sheet, the Standalone Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Standalone 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 Ind AS Specified under Section133 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, 2026 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2026 from being appointed as a director in terms of Section164(2) of the Act.

G. There are no qualification, reservation or adverse remark relating to the maintenance of accounts and other matters connected therewith;

H. 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.

I. 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 2026.

b. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

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 the final dividend paid by the Company during the year, in respect of the same declared for the previous year, is in accordance with Section 123 of the Act to the extent it applies to payment of dividend.

f. Based on our examination which included test checks, the company has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of audit trail feature being 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

In our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) of the Act which are required to be commented upon by us.

For Narven Associates
Chartered Accountants
FRN : 0005905S

CA. G.V. RAMANA
Partner
Membership No: 025995
UDIN: 26025995CYATWN3748

Date: May 18, 2026
Place : Hyderabad

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, 2026 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 Advance for investment 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. 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, 2026 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	Writ Petition filed at AP High court
18	Transitional Credit	interest & Penalty	1,41,67,242	September 2019 to March 2020	To be Filed in GST Appellate Tribunal
19	GST	GST & Interest	2,58,90,000	April - 2020 to March-2021	Writ Petition filed at AP High court
20	GST	GST & Penalty	53,04,084	FY 2019 -20	Appeal Filed at Odisha
21	GST	GST & Penalty	33,42,387	FY 2020 -21	Appeal Filed at West Bengal

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 177and 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. 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, the Company has duly incurred and complied with the Corporate Social Responsibility (CSR) expenditure requirements in accordance with the provisions of Section 135 of the Companies Act, 2013.

For Narven Associates
Chartered Accountants
FRN : 0005905S

CA. G.V. RAMANA
Partner
Membership No: 025995
UDIN: 26025995CYATWN3748

Date: May 18, 2026
Place : Hyderabad

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, 2026.

Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of sub-section 3 of Section143 of the Companies Act,2013 (the "Act")

(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)

Opinion

We have audited the internal financial controls over financial reporting of M/s TERA SOFTWARE LIMITED (the "Company") as of March 31, 2026 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 2026, 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.

For Narven Associates
Chartered Accountants
FRN : 0005905S

CA. G.V. RAMANA
Partner
Membership No: 025995
UDIN: 26025995CYATWN3748

Date: May 18, 2026
Place : Hyderabad

STANDALONE BALANCE SHEET AS AT 31-03-2026

(Rs. In Lakhs)

			Note	For the Year Ended As at 31-03-2026 Audited	As at 31-03-2025 Audited
I.	**ASSETS**				
1.	**Non-current assets**				
	(i)	Property, Plant & Equipment	1	**2,850.45**	2,653.45
	(ii)	Financial Assets			
		(a) Investment	2	**1.00**	0.74
		(b) Other Financial Assets	2	**284.70**	225.81
	(iii)	Other non current assets	3	**538.82**	543.32
	(iv)	Deferred tax Asset (net)	4	**219.60**	199.93
		Total non-current assets		**3,894.58**	3,623.25
2.	**Current assets**				
	(i)	Inventories	5	**-**	-
	(ii)	Financial Assets			
		(a) Trade receivables	6	**15,831.99**	13,611.74
		(b) Cash and Cash Equivalents	7	**530.28**	1,038.54
		(c) Other financial assets	8	**9,990.03**	1,137.50
	(iii)	Other current assets	9	**2,261.37**	1,919.40
		Total current assets		**28,613.67**	17,707.18
	TOTAL			**32,508.24**	21,330.44
II	**EQUITY AND LIABILITIES**				
A	**Equity**				
	(a)	Equity Share Capital	10	**1,251.19**	1,251.19
	(b)	Other Equity	11	**13,346.37**	10,993.81
	Total Equity			**14,597.56**	12,245.00
B	**Liabilities**				
1.	Non-current liabilities				
	(i)	Financial liabilities			
		(a) Lease Liabilities		**-**	-
		(b) Borrowings	12	**831.47**	132.24
	(ii)	Provisions	13	**161.97**	142.40
		Total non-current liabilities		**993.44**	274.64
2.	Current liabilities				
	(i)	Financial liabilities			
		(a) Lease Liabilities			
		(b) Borrowings	14	**3,108.62**	1,860.44
		(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		**10,708.81**	5,106.56
		(d) Other financial liabilities	16	**1,442.04**	743.77
	(ii)	Other current liabilities	17	**827.59**	782.37
	(iii)	Provisions	18	**830.18**	317.66
		Total current liabilities		**16,917.24**	8,810.80
	TOTAL			**32,508.24**	21,330.44

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: 18.05.2026

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

(Rs. In Lakhs)

	Particulars	Note	For the Year Ended 31-03-2026 Audited	31-03-2025 Audited
	Income			
I	Revenue from operations	19	**23,804.53**	10,764.38
II	Other income	20	**392.99**	406.11
III	**Total Income (I+II)**		**24,197.52**	11,170.49
IV	Expenses			
	Purchases	21	**-**	-
	Change in inventories	22	**-**	4.72
	Technical & Operation expenses	23	**16,235.69**	7,437.03
	Employee benefit expenses	24	**3,345.30**	1,840.15
	Finance costs	25	**744.57**	379.18
	Depreciation and amortization expenses	1	**70.83**	13.59
	Other expenses	26	**553.10**	253.62
	Total Expenses (IV)		**20,949.49**	9,928.29
V	**Profit /(Loss) before Exceptional items and tax (III-IV)**		**3,248.03**	1,242.20
VI	Exceptional items		**-**	-
	Less:		**-**	35.00
	Add:		**-**	39.26
VII	**Profit/(Loss) before tax (V-VI)**		**3,248.03**	1,237.94
VIII	Tax expense			
	1) Current tax		**813.68**	307.30
	2) Earlier years Taxes		**(27.39)**	(6.56)
	3) Deferred tax (Net)		**(18.73)**	(4.88)
IX	**Profit/(Loss) for the period from continuing operations (VII-VIII)**		**2,480.47**	942.08
X	Profit/(Loss)from discontinued operations		**-**	-
XI	Tax expense of discountinued operations		**-**	-
XII	Profit/(Loss) from discontinued operations (after tax) (X-XI)		**-**	-
XIII	**Profit/(Loss) for the period (IX-XII)**		**2,480.47**	942.08
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		**(3.73)**	71.91
	(ii) Income tax relating to items that will be reclassified to profit or loss		**0.94**	(18.10)
XV	Total Comprehensive income for the period (XIII+XIV) (Comprising Profit /(Loss) and Other Comprehensive income for the period		**2,477.67**	995.89
XVI	Earnings per equity share Rs10/- (for continuing operations)			
	1) Basic		**19.82**	7.53
	2) Diluted		**19.82**	7.53

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: 18.05.2026

CASH FLOW STATEMENT FOR THE YEAR ENDED 31-03-2026 and YEAR ENDED 31-03-2025

(Rs. In Lakhs)

	Particulars	**Year Ended 31-03-2026**	Year Ended 31-03-2025
A.	**Cash flow from operating activities**		
	Net Profit / (Loss) before tax as per Profit & Loss Statement	**3,248.03**	1,237.94
	Adjustments for:		
	Depreciation and amortisation	**70.83**	13.59
	Sundry Credit Balances Written Back	**-**	-
	Interest Income	**(46.29)**	(70.23)
	Interest from IT Refund		
	Bad Debts Written Off	**46.77**	(38.79)
	Finance Cost	**744.57**	379.18
	Other Comprehensive Income	**3.73**	
	Advances Written off	**-**	4.50
	SLA Deductions		-
	CSR Expenditure	**-**	(5.33)
	Exchange Fluctuations	**20.70**	2.77
	Exceptional Credit Loss	**44.30**	2.55
	Changes in Assets and Liabilities:		
	Deffered Asset		
	Trade receivables	**(2,311.32)**	(1,149.28)
	Other Non Financial Assets	**(58.89)**	36.23
	Other Non Current Assets	**4.50**	(50.88)
	Other Financial Assets	**(8,852.53)**	674.63
	Other Current Assets	**(341.97)**	(1,322.84)
	Inventories	**-**	4.72
	Trade Payables	**5,581.55**	878.23
	Long Term Provisions	**15.84**	10.26
	Other Current Liabilities	**45.22**	(5.57)
	Short Term Provisions	**(270.05)**	(2.47)
	Other Financial Liabilities	**698.27**	97.62
	Cash generated from operations	**(1,356.73)**	696.83
	Income tax paid	**7.52**	16.20
	Net cash flow from operating activities (A)	**(1,364.25)**	680.63
B.	**Cash flow from investing activities**		
	Property, Plant & Equipment	**(267.79)**	(7.50)
	Sale of Land	**-**	-
	Purchase of Investments	**(0.26)**	-
	Interest Income	**46.29**	70.23
	Net cash flow from Investing activities (B)	**(221.77)**	62.73

	Particulars	**Year Ended 31-03-2026**	Year Ended 31-03-2025
C.	**Cash flow from financing activities**		
	Short Term Barrowings(Net)	**1,248.18**	(947.14)
	Dividend	**(125.12)**	
	Long Term Borrowings	**699.23**	(406.05)
	Interest Paid	**(744.57)**	(379.18)
	Net cash flow from Financing activities (C)	**1,077.72**	(1,732.37)
	Net increase in Cash and cash equivalents (A+B+C)	**(508.29)**	(989.02)
	Opening balance of Cash and cash equivalents	**1,038.56**	2,027.57
	Closing balance of Cash and cash equivalents	**530.27**	1,038.56
	Components of Cash and Cash Equivalents		
	Cash and cheques on Hand	**0.93**	9.48
	Balances with Banks		-
	- On Current Accounts	**16.01**	3.20
	- On Deposit Accounts	**513.34**	1,025.88
Cash and cash Equivalent as per Note 7		**530.28**	1,038.56

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: 18.05.2026

STANDALONE NOTES FORMING PART OF THE IND AS FINANCIAL STATEMENTS

CALCULATION OF DEPRECIATION UNDER COMPANIES ACT for the FY 2025-26

1. PROPERTY, PLANT AND EQUIPMENT

Rs. In Lakhs)

S. No.	Details	Gross block as at 01/04/2025	Additions	Deletions	Gross block as at 31/03/2026	Accumulated Depreciation as at 01/04/2025	Total Depreciation upto 31/03/2026	Net Block As 31/03/2026	Net Block As 31/03/2025
1	Land	2,229.66	-	-	2,229.66	-	-	2,229.66	2,229.66
2	Buildings	558.09	-	-	558.09	148.85	8.84	400.40	409.24
3	Plant & Equipment	332.66	199.71	-	532.37	330.02	52.87	149.48	2.64
4	Furniture & Fixtures	123.64	-	-	123.64	121.84	1.37	0.43	1.80
5	Vehicles	99.79	52.15	-	151.94	96.72	4.56	50.66	3.07
6	Office Equipment	30.69	15.96		46.65	26.21	2.33	18.11	4.48
7	Electrical & Fixtures	105.91	-	-	105.91	103.36	0.87	1.68	2.55
8	Capital Expenditure on Projects Div	1,082.88	-	-	1,082.88	1,082.88	-	-	-
		4,563.32	267.82	-	4,831.14	1,909.88	70.83	2,850.45	2,653.44

STANDALONE NOTES FORMING PART OF THE IND AS FINANCIAL STATEMENTS

(Rs. in Lakhs)

		Particulars	As at 31-03-2026 Audited	As at 31-03-2025 Audited
	FINANCIAL ASSETS			
2	**OTHER FINANCIAL ASSETS**			
	Investment			
	TS Innovations Pvt.Ltd		**1.00**	0.74
	Security and other Deposits		**284.70**	225.81
	Total		**285.70**	226.55
3	**OTHER NON CURRENT ASSETS**			
	(Unsecured, Considered good)			
	Bank deposits maturity of morethan 12 months		**110.43**	114.93
	BG Claim Under Protest		**428.39**	428.39
	Total		**538.82**	543.32
4	**Deferred tax Asset (net)**			
	On account of Fixed Assets		**-11.37**	-7.78
	On account of Income tax disallowances		**230.97**	207.71
	Total		**219.60**	199.93
5	**INVENTORIES**			
	(a)	Finished Goods	**-**	-
	(b)	Consumables	**-**	-
	(c)	Work-in-progress	**-**	-
	Total		**-**	-
6	**Trade receivables**			
	a)	Considered Good - Secured	**-**	-
	b)	Considered Good - Unsecured	**16,522.53**	14,257.97
	c)	Trade Receivables which have significant increase in credit risk	**-**	-
	d)	Trade Receivables credit Impaired	**-**	-
		Less: Credit Loss Allowance	**(690.54)**	(646.23)
	Total		**15,831.99**	13,611.74
7	**Cash and Cash Equivalents**			
	(i)	Cash on hand	**0.93**	9.46
	(ii)	Balances with Banks		
		In current accounts	**16.01**	3.20
		HDFC Bank Dividend A/c.	**0.41**	-
		In Marging Money Deposits	**512.94**	1,025.88
	Total		**530.28**	1,038.54
8	**Other financial assets**			
	Accrued Interest		**24.21**	45.65
	Unbilled Receivables		**9,965.82**	1,091.85
	Total		**9,990.03**	1,137.49
9	**OTHER CURRENT ASSETS**			
	(Unsecured and considered good)			
	(a)	Advance to Suppliers / Service Providers	**470.91**	411.17
	(b)	Staff Advances	**3.75**	3.15
	(c)	Advance for Expenses	**1.45**	2.30
	(d)	Prepaid expense	**848.36**	987.56
	(e)	Balances with government authorities	**926.20**	503.28
	(f)	Rent Receivable	**10.70**	11.94
	Total		**2,261.37**	1,919.40

Particulars	Year Ended			
	As at 31-03-2026		As at 31-03-2025	
	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 31-03-2026		As at 31-03-2025	
	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 31-03-2026		As at 31-03-2025	
	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 31-03-2026 Audited	As at 31-03-2025 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	**6,308.05**	5,312.16
	CSR Expenditure	**-**	-
	IND AS Impact	**-**	-
	Add: Profit for the year / period	**2,480.47**	942.08
	Figures as at the end of Reporting period	**8,788.51**	6,254.24
	Other Comprehensive Income / Loss Net of Tax at the end of the previous reporting year		
	Other Comprehensive Income / Loss Net of Tax	**(2.79)**	53.81
	Less : Proposed dividend	**(125.12)**	-
	: Tax on Proposed dividend	**-**	-
	: Transfer to General Reserves	**-**	-
		(127.91)	53.81
	Total of Reserves and Surplus	**13,346.37**	10,993.81

NATURE OF RESERVES

i General Reserves - Companies cummulative earnings since its formation less distribution.

ii Security Premium - represents the premium received on issue of equity shares.

iii The reserves are utilised in accordance with the provisions of Companies Act, 2013.

STANDALONE NOTES FORMING PART OF THE IND AS FINANCIAL STATEMENTS (Rs. in Lakhs)

	Particulars		For the Year Ended	
			As at 31-03-2026 Audited	As at 31-03-2025 Audited
12	**Long term borrowings**			
	Term loans			
	From Banks		**35.13**	-
	From Directors		**796.34**	132.24
	Total		**831.47**	132.24
13	**Long term provisions**			
	Provision for employee benefits:			
	Gratuity		**161.97**	142.40
	Total		**161.97**	142.40
14	**Short term borrowings**			
	-	Secured		
	(a)	Loans repayable on demand from banks	**-**	-
	(b)	Cash credit	**2,931.62**	1,860.44
	(c)	Short Term Working Capital Loans from Banks	**-**	-
	(d)	Short Term Loan from Others 1 & 2	**177.00**	-
	Total		**3,108.62**	1,860.44
15	**Trade Payables**			
	-	Total Outstanding dues to Micro enterprises and small enterprises	**-**	-
	-	Total Outstanding dues to creditors other than Micro enterprises and small enterprises	**10,708.81**	5,106.56
	Total		**10,708.81**	5,106.56
16	**Other financial liabilities**			
	Retention money		**146.32**	138.75
	Unpaid Dividend		**0.41**	-
	Other Payables		**1,295.31**	605.02
	Advance for Sale of Asset		**-**	-
	Total		**1,442.04**	743.77
17	**Other current liabilities**			
	Advance from customers / Mobilisation advances		**-**	-
	Statutory dues		**777.12**	756.00
	Other payables		**50.47**	26.37
	Total		**827.59**	782.37
18	**Short-term provisions**			
	Provision for employee benefits:			
	Gratuity		**15.30**	10.36
	Provision for Income Tax		**813.68**	307.30
	Provision- others:			
	-	Provision for SLA's	**1.20**	-
	Total		**830.18**	317.66

STANDALONE NOTES FORMING PART OF THE IND AS FINANCIAL STATEMENTS

(Rs. in Lakhs)

	Particulars	For the Year Ended As at 31-03-2026 Audited	As at 31-03-2025 Audited
19	**REVENUE FROM OPERATIONS**		
	Sale of Services	**23,804.53**	10,725.59
	Operating Revenue	**-**	38.79
	Total	**23,804.53**	10,764.38
20	**OTHER INCOME**		
	Interest income	**46.29**	70.23
	Rental Income	**344.82**	335.88
	OTHER INCOME	**1.88**	-
	Profit on Sales Asset	**-**	-
	Total	**392.99**	406.11
21	**PURCHASES**		
	Purchase	**-**	-
	Total	**-**	-
22	**CHANGES IN INVENTORIES**		
	INVENTORIES AT THE BEGENNING OF THE YEAR		
	Opening Stock		
	Traded Goods	**-**	4.72
	Consumables	**-**	-
	Total (A)	**-**	4.72
	INVENTORIES AT THE END OF THE YEAR		
	Closing Stock		
	Traded Goods	**-**	-
	Consumables	**-**	-
	Total (B)	**-**	-
	(Increase) / Decrease in Stocks (A) - (B)	**-**	4.72
23	**TECHNICAL & OPERATION EXPENSES**		
	Power and Fuel	**39.70**	21.96
	Software Maintenance Charges	**72.64**	45.65
	Rent Charges	**67.97**	13.42
	Consumables	**0.20**	0.44
	Insurance	**8.26**	7.86
	Repairs & Maintenance & AMC Charges	**239.99**	181.29
	Transport Charges	**6.19**	0.81
	Exchange Fluctuation	**20.70**	2.77
	Subcontract & Other Work Charges	**15,780.04**	7,162.83
	Total	**16,235.69**	7,437.03
24	**EMPLOYEE BENEFIT EXPENSE**		
	Salaries, Wages and other benefits	**3,063.66**	1,671.78
	Contribution to Provident Fund & other Funds	**276.48**	164.98
	Staff Welfare Expense	**5.16**	3.39
	Total	**3,345.30**	1,840.15

STANDALONE NOTES FORMING PART OF THE IND AS FINANCIAL STATEMENTS (Rs. in Lakhs)

	Particulars	For the Year Ended As at 31-03-2026 Audited	As at 31-03-2025 Audited
25	**FINANCE COST**		
	Interest	**327.21**	262.77
	Other borrowing cost	**417.36**	116.41
	Total	**744.57**	379.18
26	**OTHER EXPENSES**		
	Rates and Taxes	**33.75**	34.31
	Office Maintenance	**29.13**	7.85
	Communication Expense	**4.40**	2.58
	Conveyance Expense	**22.76**	16.42
	Travelling, Boarding & Lodging Expense	**47.34**	29.89
	Printing and Stationery	**2.09**	1.68
	Professional & Consultancy Expense	**251.90**	120.15
	Directors' sitting fee	**8.50**	8.42
	Discounts & Disallowances	**-**	-
	Advertisement Expense	**2.90**	1.59
	Advances Written Off	**-**	4.50
	Bad Debts Written off	**46.77**	-
	Business Promotion	**5.57**	1.80
	Bank Charges and Others	**9.12**	4.39
	CSR Expenses	**3.60**	-5.33
	Interest on late payment on GST / Service Tax	**11.21**	0.69
	Expected Credit Loss	**44.30**	2.55
	General Expenses	**13.15**	7.47
	SLA Deductions	**1.20**	-
	Miscellaneous Expense	**2.41**	1.66
	Payment to Auditors		
	Statutory Audit fee	**9.00**	9.00
	Tax Audit Fee	**3.00**	3.00
	Other Services	**1.00**	1.00
	Total	**553.10**	253.62

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 auch 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 compiled 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, 2026 and year ended March 31, 2025 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 Section133 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 accumulated impairment losses. 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 subsequently measured at cost less accumulated depreciation and accumulated impairment losses in accordance with Ind AS 40. 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 disposal 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 valuation being carried out at each reporting date. 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 Company assesses at contract inception whether a contract is, or contains, a lease. A contract is, or contains, a lease if it conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Company as a Lessee

At the commencement of a lease, the Company recognises a right-of-use asset and a corresponding lease liability. The right-of-use asset is subsequently measured at cost less accumulated depreciation and impairment losses. The lease liability is measured at the present value of lease payments and is subsequently adjusted for interest, lease payments and remeasurements, where applicable.

Lease payments relating to short-term leases and leases of low-value assets are recognised as an expense in the Statement of Profit and Loss on a straight-line basis over the lease term.

Company as a lessor

Leases are classified as finance leases or operating leases based on the transfer of risks and rewards incidental to ownership of the underlying asset.

In the case of finance leases, the net investment in the lease is recognised as a receivable and finance income is recognised over the lease term. In the case of operating leases, the underlying asset continues to be recognised under property, plant and equipment and rental income is recognised in the Statement of Profit and Loss on a straight-line basis over the lease term.

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 at fair value, subject to applicable transaction-cost treatment. Trade receivables without a significant financing component are measured at the Ind AS 115 transaction price. 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 less the cumulative amount of income recognised in accordance with Ind AS 115., 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 Fair 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 which is non recoverable

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 2026

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, 2025	2,229.66	558.09	332.66	123.64	99.79	30.69	105.91	1,082.88
additions	-	-	199.71	-	52.15	15.96	-	-
Deletions	-	-	-	-	-	-	-	-
Gross carrying value as at March 31, 2026	**2,229.66**	**558.09**	**532.37**	**123.64**	**151.94**	**46.65**	**105.91**	**1,082.88**
Accumulated depreciation as at April 1, 2025	-	148.85	330.02	121.84	96.72	26.21	103.36	1082.88
Depreciation	-	8.83	52.87	1.37	4.56	2.33	0.87	-
Accumulated depreciation on deletions	-	-	-	-	-	-	-	-
Accumulated depreciation as at March 31, 2026	**-**	**157.68**	**382.89**	**123.21**	**101.28**	**28.54**	**104.23**	**1082.88**
Carrying value as at April 1, 2025	2229.66	409.24	2.64	1.82	3.07	4.48	2.54	-
Carrying value as at March 31, 2026	**2229.66**	**400.40**	**149.48**	**0.43**	**50.66**	**18.11**	**1.68**	**-**

Property, plant and equipment consist of the following for the year ended 31st March 2025

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	0.00	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**	**-**

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

w) Critical Accounting Judgments and key sources of estimation uncertainty

The preparation of the Company's financial statements requires management to make judgement, estimates and assumptions that affect the reported amount of revenue, expenses, assets and liabilities and the accompanying disclosures. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets and liabilities affected in future periods. The following are the critical judgments, apart from those involving estimations, that the directors have made in the process of applying the Company's accounting policies and that have the most significant effect on the amounts 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, 2026**	As at March 31, 2025
(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**	**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: 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**	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.	**33.42**	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	**3,963.96**	5,065.07
(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 Ind AS 19, Employee Benefits the details of which are as under:

Description		**2025-26 (Rs in Lakhs)**	2024-25 (Rs in Lakhs)
1.	**Reconciliation of opening and closing balances of obligation**		
a.	Obligation as at the beginning of the year	**116.09**	165.27
b.	Current Service Cost	**16.91**	13.53
c.	Interest Cost	**8.31**	9.21
d.	Actuarial (Gain)/Loss	**3.73**	(71.40)
e.	Past services cost	**-**	-
f.	Benefits Paid	**(0.71)**	(0.51)
g.	Obligation as at the end of the year	**144.34**	116.09
2.	**Expense recognized in the period**		
a.	Current Service Cost	**16.91**	13.53
b.	Interest Cost	**8.31**	9.21
c.	Actuarial(Gain)/Loss	**0.00**	0.00
d.	Past service cost	**0.00**	0.00
e.	Expense recognized during the year	**25.22**	22.74
3.	**Assumptions**	**%**	**%**
a.	Discount Rate (per annum) as at the end of the year	**7.35**	6.75
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-26 (Ind AS19)**		31-Mar-25 (Ind AS-19)	
Defined Benefit Obligation (Base)	**1,44,33,365**		1,16,09,392	
	Decrease	**Increase**	Decrease	Increase
Discount Rate (- / + 1%)	**1,59,13,079**	**1,31,73,347**	1,29,07,333	1,05,09,105
(% change compared to base due to sensitivity)	**10.25%**	**(8.73%)**	11.18%	(9.48%)
Salary Growth Rate (- / + 1%)	**1,30,30,877**	**1,60,65,707**	1,01,00,352	1,34,26,225
(% change compared to base due to sensitivity)	**(9.72%)**	**11.31%**	(13.00%)	15.65%
Attrition Rate (- / + 1%)	**1,34,65,284**	**1,52,79,384**	1,14,26,594	1,17,61,292
(% change compared to base due to sensitivity)	**(6.71%)**	**5.86%**	(1.57%)	1.31%
Mortality Rate (- / + 10%)	**1,44,04,635**	**1,44,62,370**	1,15,48,066	1,16,31,502
(% change compared to base due to sensitivity)	**(0.20%)**	**0.20%**	(0.53%)	0.19%

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 31st 2026 & 2025 (Rs. In Lakhs)

	Integrated Solutions	Technical Division	Projects Division	Others	Unallocable	Total
Revenues	-	7596.00	16208.53	-	-	23804.53
	324.26	*5965.94*	*4474.19*	-	-	*10764.39*
Identifiedop. expenses		7289.50	11426.08	-	-	18715.58
	-	*5661.02*	*2703.98*	-	-	*8365.00*
Allocated Expenses	-	-	668.65	-	-	668.65
	319.35	-	*288.54*	-	-	*607.89*
Segmental operating income		306.50	4113.80	-	-	4420.30
	4.90	*304.92*	*1481.67*	-	-	*1791.49*
Un-allocable expenses	-	-	-	-	826.01	826.01
	-	-	-	-	*576.22*	*576.22*
Operating income	-	-	-	-	-	3594.29
	-	-	-	-	-	*1215.27*
Other income/(expenses), net	-	-	-	-	352.03	352.03
	-	-	-	-	*335.88*	*335.88*
Net profit before Interest	-	-	-	-	-	3946.32
	-	-	-	-	-	*1551.15*
(Less): Interest Expenses	-	-	-	-	744.58	744.58
	-	-	-	-	*379.18*	*379.18*
Add: Interest Income	-	-	-	-	46.29	46.29
	-	-	-	-	*70.23*	*70.23*
Net profit before taxes	-	-	-	-	-	3248.03
	-	-	-	-	-	*1242.20*
Exceptional Items	-	-	-	-	-	-
	-	-	-	-	-	*(4.26)*
Income Taxes	-	-	-	-	-	767.57
	-	-	-	-	-	*295.86*
Net Profit after taxes	-	-	-	-	-	2480.47
	-	-	-	-	-	*942.08*
Other Comprehensive Income	-	-	-	-	-	-2.79
	-	-	-	-	-	*53.81*
Net Profit	-	-	-	-	-	2477.67
	-	-	-	-	-	*995.89*
Segment Assets	-	3552.68	20290.00	-	4210.93	28053.61
	16.14	*1136.48*	*13202.12*	-	*4597.12*	*18951.00*
Segment Liabilities	379.65	964.97	6169.59	-	20539.39	28053.61
	343.26	*682.68*	*2250.25*	-	*15675.67*	*18951.00*
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	YES
Mr.T. Bapaiah Chowdary	Director & Brother to the Chairman & Managing Director (Mr.T.Gopichand)	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
Ms. D. Pravallika	Chief Financial Officer	YES
Mr. T. Raja Shekar	Son of Mr. T. Gopichand	YES
Mrs. T. Pavani Devi	Spouse of Sri.T. Gopichand	YES
TS Innovations Limited	Subsidiary Company	YES
Intiqual Technologies Limited	Related party	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.Raja Shekar
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 Receive b) Interest on Unsecured Loans	a) Remuneration b) Unsecured Loan Received c)Interest on unsecured loan d) Loan Repaid	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 (108.00 Lakhs) b) Unsecured Loan Received of Rs. 475.00 Lakhs(Rs.0.00 Lakhs) c) Interest on unsecured loan of Rs.42.27 Lakhs (Rs. 33.71Lakhs) d) Loan repaid of Rs.0.00 Lakhs (Rs.350.00 Lakhs) e) Rent paid Rs. 33.22 Lakhs (Rs. 2.39 Lakhs)	a) Unsecured Loan Received of Rs. 0.00 Lakhs(Rs.0.00 Lakhs) b) Interest on Unsecured Loans Rs. 16.52 Lakhs (Rs. 14.87 Lakhs)	a) Managerial Remuneration of Rs. 25.80 Lakhs (Rs. 20.20 Lakhs) b) Unsecured Loan Received of Rs. 135.00 Lakhs (Rs.0.00 Lakhs) c) Interest on unsecured loan of Rs.5.50 Lakh (Rs. 0.00 Lakhs) d) Loan repaid of Rs.3.77 Lakhs (Rs.0.00 Lakhs)	a) Sitting Fee Paid Rs.1.98 Lakhs. (Rs.1.98 Lakhs) b)Total transaction value is Rs. 0.00 lakhs (Rs. 0.00 Lakhs)	Salary of Rs.15.48Lakhs and Rs.12.24Lakhs and Rs.25.80Lakhs respectively (Rs.14.97 and Rs.11.13 Lakhs and Rs. 3.59 Lakh 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.23.81 lakhs (Rs.24.00 lakhs) b) Unsecured Loan including interest Rs 513.05 lakhs (Rs.0.00 lakh) f) Rent Payable Rs.7.54 Lakh (Rs.2.14Lakh)	a) Unsecured Loan including interest Rs. 147.11 lakhs (Rs.132.24 lakhs)	a) Managerial Remuneration Payable Rs. 1.36 lakhs (Rs. 1.63 lakhs) b) Unsecured Loan including interest Rs 136.18 lakhs (Rs.0.00 lakh)	Purchase of Goods (payable) Rs21.29Lakhs (Rs21.29Lakhs)	Salary Payable of Rs. 1.13 lakhs, Rs.1.01 lakhs and Rs. 1.83 Lakhs respectively. (Rs 1.05, Rs 0.89 and 2.11 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.	Mr. Ch. Mallikarjuna, C.S.	TS Innovations Pvt. Ltd	Intiqual Technologies Limited
Description of the nature of transactions	Salary	Salary	Investments	Unsecured Loan
Volume of the transactions either as an amount or as appropriate proportion	Salary of Rs.8.75 Lakhs (Rs.7.71 Lakhs)	Salary of Rs 11.39Lakhs (Rs.10.24 Lakhs)	Investments of Rs. 0.26 Lakhs (Rs.0.74 Lakhs)	Unsecured Loan Received of Rs. 102.00 Lakhs (Rs.0.00 Lakhs)
The amounts or appropriate proportions of outstanding items pertaining to related parties at the Balance Sheet date	Salary Payable of Rs. 0.00 Lakhs (Rs 0.57 Lakhs)	Salary Payable of Rs. 0.96 Lakhs (Rs. 0.77 Lakhs)	Investment of Rs.1.00 Lakhs (Rs.0.74 Laksh)	Unsecured Loan Payable of Rs 77.00 lakhs (Rs.0.00 lakh)

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, 2026**	As at March 31, 2025
A. Equity	**14,597.56**	12,245.00
B. Net debt		
Short-term borrowings and current portion of long-term debt	**3,108.62**	1,860.44
Add: Long-term debt	**831.47**	132.24
Less: Cash and cash equivalents	**17.35**	12.68
B. Total Net Debt	**3,922.74**	1,980.00
Total Capital (A + B)	**18,520.30**	14,225.00

✦ **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, 2026, and March 31, 2025.

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 March 31, 2026	As at March 31, 2025	**As at March 31, 2026**	As at March 31, 2025
USD	**4.01 (INR 379.65)**	4.01 (INR 343.26)	**1.73 (INR 163.66)**	1.73 (INR 147.97)

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

Particulars	Foreign Currency Sensitivity	
	As at March 31, 2026	As at March 31, 2025
	INR	INR
2% Depreciation in INR		
Impact on P&L	**10.87**	9.82
Total	**10.87**	9.82
2% Appreciation in INR		
Impact on P&L	**(10.87)**	(9.82)
Total	**(10.87**	(9.82)

Credit risk management

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

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

Liquidity risk management

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

32. **Other disclosure pursuant to Ind AS 107 "Financial instruments: Disclosures":**

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

Sl. No.	Particulars	**As at March 31,2026**	As at March 31,2025
	Measured at Amortised cost		
(i)	**Financial Assets**		
	a. Trade receivables	**15,831.99**	13,611.74
	b. Cash & Cash Equivalents and bank balances (Includes Margin Money Deposits)	**530.28**	1,038.56
	c. Other financial assets	**9,990.03**	1,137.50
	Total	**26,352.30**	15,787.80
(ii)	**Financial Liabilities**		
	Measured at Amortised cost		
	a. Borrowings	**3,108.62**	1,860.44
	b. Trade payables	**10,708.81**	5,106.56
	c. Other financial liabilities	**1442.04**	743.77
	Total	**15,259.47**	7,710.77

(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 31,2026**			As at March 31,2025		
	Within Twelve Months	**After Twelve Months**	**Total**	Within Twelve Months	After Twelve Months	Total
Borrowings	**3,108.62**	**831.47**	**3,940.09**	1,860.44	132.24	1,992.68
Trade payables	**8780.94**	**1927.86**	**10,708.81**	3128.96	1977.60	5106.56
Other financial liabilities	**1442.04**	**-**	**1442.04**	743.77	-	743.77

33 **Deferred Tax**

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

The deferred tax Asset as at March 31, 2026 and March 31, 2025 comprise of the following: (Rs. in Lakhs)

	Particulars	**As at March 31, 2026**	As at March 31, 2025
A	**Deferred Tax Liability / Asset**		
1	Related to fixed assets	**(11.37)**	(7.78)
B	**Deferred Tax Assets**		
1	Disallowance under the Income tax Act,1961	**230.97**	207.71
C	**Deferred tax (Liability)/Asset (net)**	**219.60**	199.93

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, 2026**	As at March 31, 2025
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 2025-26**	FY 2024-25
Gross Amount required to be spent during the year	**3,60,413**	-
Earlier Years	**-**	-
Amount spent during the year in Cash	**3,60,420**	
i) On Construction / acquisition of any asset	**-**	-
ii) On purposes other than (i) above	**Project of development activities undertaken for Rythu Bharosa Kendra / MPP School at Telugurao Palem, Ghantasala Mandal, Krishna District, Andhra Pradesh - PIN : 521132**	-
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.

Based on the audited financial statements for the three financial years up to and including FY 2025-26, the average net profit of the Company for the immediately preceding three financial years amounts to ₹16,99,72,499. Accordingly, the CSR obligation for FY 2025-26, being 2% of such average net profit, amounts to ₹33,99,450, which is required to be spent during FY 2026-27 in accordance with the applicable provisions of Section 135 of the Companies Act, 2013 and the rules made thereunder.

36. Earnings Per Share

Particulars	**FY 2025-26**	FY 2024-25
Net Profit After Tax (Rs in lakhs)	**2480.47**	942.08
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.)	**19.82**	7.53

37. Disclosures of shareholding of Promoters and promotersgroup

Shares held by Promoters at the end of the year 31 March 2026					As at 31 March 2025	
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 Raja sekhar	28.25	22.58%	-	28.25	22.58%
5	Tummala Bapaiah Chowdary	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 2026 and March 31st 2025 are as follows:

	Particulars	Numerator	Denominator	**31.03.2026**	31.03.2025	Variance
a)	Current Ratio	Current assets	Current liabilities	**1.69**	2.01	-16%
b)	Debt-Equity ratio	Total Debt	Shareholders' equity	**0.27**	0.16	66%
c)	Debt service coverage ratio	Earnings available for debt service	Debt service	**0.27**	0.16	66%
d)	Return on equity ratio	Net Profit after taxes	Equity	**0.17**	0.08	121%
e)	Inventory turnover ratio	Turnover	Closing Inventory	**-**	-	0.00%
f)	Trade receivable turnover ratio	Turnover	Closing Receivables	**1.50**	0.79	90%
g)	Trade payable turnover ratio	Purchases	Closing Payables	**-**	-	0.00%
h)	Net capital turnover ratio	Net Sales	Working Capital	**2.04**	1.21	68%
i)	Net profit ratio	Net profit after Tax	Net Sales	**0.10**	0.09	19%
j)	Return on capital employed ratio	Earnings Before Interest & Taxes	Capital employed	**0.22**	0.11	89%
k)	Return on Investment	Net income	Value of equity at the beginning	**0.20**	0.08	142%

39. Trade Receivables

S.No.	Particulars	TOTAL	< 6 M	6 M - 1 Y	1 - 2 y	2 - 3 y	> 3 Y
1	A P S F L - AMC - PT	5,06,20,398	-	-	-	-	5,06,20,398
2	A P S F L - BBNL	41,77,40,586	-	-	-	-	41,77,40,586
3	APSFL - Mis - Works	64,67,085	-	-	-	-	64,67,085
4	A P S F L - O & M Service	42,99,99,259	-	-	-	-	42,99,99,259
5	Bharat Electronics Limited- Bhoomi (BEL)	5,76,37,344	5,76,37,344	-	-	-	-
6	Davanagere Smart City Limited	3,15,014	3,15,014	-	-	-	-
7	Davanagere Smart Schools	6,76,231	-	-	6,76,231	-	-
8	DVVNL UPPCL	8,13,39,391	-	4,27,56,314	3,85,83,077	-	-
9	DVVNL UPPCL - NEW	5,55,06,150	5,55,06,150	-	-	-	-

10	GST Suvidha	3,06,288	76,700	59,000	1,70,588	-	-
11	ITI Limited-Dr.	11,98,94,401	11,98,94,401	-	-	-	-
12	Maharashtra IT Corporation Ltd.	8,20,678	-	-	8,20,678	-	-
13	MVVNL- UPPCL	7,38,98,625	7,38,98,625	-	-	-	-
14	Odisha Power Transmission Corporation Ltd.,(OPTCL)	52,32,194	52,32,194	-	-	-	-
15	PuVVNL UPPCL	14,18,59,373	14,18,59,373	-	-	-	-
16	PVVNL UPPCL	10,63,17,951	-	4,54,67,536	6,08,50,415	-	-
17	WBSEDCL Order Oct 20 to Sep 25	2,96,67,357	1,21,68,631	1,74,98,726	-	-	-
18	WBSEDCL Order Oct 25 to Sep 28	7,36,97,091	7,36,97,091	-	-	-	-
19	Madhyanchal One Infrastructure Pvt. Ltd.	2,58,042	-	2,58,042	-	-	-
	Grand Total	1,65,22,53,458	54,02,85,523	10,60,39,618	10,11,00,989	-	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	12,34,51,543	12,34,51,543	-	-	-	-
2	Unbilled Receivables - DSCL - O & M	2,20,89,099	2,20,89,099	-	-	-	-
3	Unbilled Receivable Odisha BBNL AMC	10,54,96,341	9,21,03,450	1,33,92,891	-	-	-
4	Unbilled Receivable-TVSSCSL (RJIO Retail)	3,86,25,873	-	-	-	-	3,86,25,873
5	Unbilled Receivables - Setu Nashik	4,50,000	4,50,000	-	-	-	-
6	Unbilled Receivables - BSNL WB	63,29,90,022	48,82,20,631	14,47,69,391	-	-	-
7	Unbilled Receivables - O&M BSNL WB	7,34,78,949	7,34,78,949	-	-	-	-
	Total	**99,65,81,827**	**79,97,93,672**	**15,81,62,282**	**-**	**-**	**3,86,25,873**

41. Trade Payables

S.No.	Particulars	TOTAL	< 1 Y	1 - 2 y	2 - 3 y	> 3 Y
1	Advantal Technologies Limited	32,57,280	32,57,280	-	-	-
2	Altice Labs,S.A.	3,79,64,799	-	-	-	3,79,64,799
3	Amilionn Technologies Pvt.Ltd.,	90,17,079	-	-	-	90,17,079
4	Amnex Infotechnologies Pvt,Ltd.,	18,92,676	18,92,676	-	-	-
5	BVM IT Consulting Services India Pvt. Ltd-Sub Cont.	2,75,082	1,23,487	1,51,595	-	-
6	ERI Tech Limited	95,30,152	95,30,152	-	-	-
7	Foregee Infotech - Setu Nashik	8,32,473	4,49,658	3,82,815	-	-
8	HFCL Limited	5,02,43,216	5,02,43,216	-	-	-
9	Hiliks Technologies Limited	2,88,13,398	2,88,13,398	-	-	-
10	Inflow Technologies Pvt. Ltd.	18,09,978	18,09,978	-	-	-
11	Ingram Micro India Pvt. Ltd.	4,11,89,553	4,11,89,553	-	-	-
12	Invas Technologies Pvt.Ltd.,	4,78,33,926	4,78,33,926	-	-	-
13	ITI Limited Cr	15,00,65,281	15,00,65,281	-	-	-
14	Karthik Informatics Private Limited	33,97,332	33,97,332	-	-	-
15	KASH IT Solutions Ltd	3,44,45,185	3,44,45,185	-	-	-
16	Keith Electronics Pvt.Ltd.,	13,15,700	13,15,700	-	-	-

17	Luminex Technosys Private Ltd	2,14,46,723	2,14,46,723	-	-	-
18	Manifold E-Connect Limited	26,70,303	26,70,303	-	-	-
19	Olatech Solutions Limited	34,25,400	34,25,400	-	-	-
20	Power-One Micro Systems (P) Ltd.,	2,02,938	2,02,938	-	-	-
21	Praptham Tech Solutions Pvt Ltd	33,46,120	-	-	-	33,46,120
22	Raja Enterprises	21,28,757	-	-	-	21,28,757
23	Rooman Technologies Pvt.Ltd.,	13,07,000	13,07,000	-	-	-
24	Tejas Networks Limited	1,23,61,227	1,23,61,227	-	-	-
25	TVS Supply Chain Solutions Ltd.,	5,50,13,469	-	1,93,815	6,41,150	5,41,78,504
26	Unbilled Subcontracting Expenses Payable BEL Maha B	10,99,37,281	10,99,37,281	-	-	-
27	Vaibhu Infra Tech India Pvt. Ltd. - Cr	1,33,98,000	1,33,98,000	-	-	-
28	Vaibhu Infra Tech India Pvt. Ltd.- UPPCL	16,32,56,748	7,84,74,847	8,47,81,901	-	-
29	Vaibhu Infra Tech India Pvt.Ltd., - UPPCL(New)	25,35,37,893	25,35,37,893	-	-	-
30	Veekay Connectors Pvt.Ltd.,	69,66,012	69,66,012	-	-	-
	Total	1,07,08,80,980	87,80,94,445	8,55,10,127	6,41,150	10,66,35,258

42. Figures for the corresponding year ended March 31, 2025, 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

Date: : 18-05-2026
Place: Hyderabad

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 "Holding Company"), and its Subsidiary (the Holding Company and the Subsidiary together referred to as the Group) which comprise the Consolidated Balance Sheet as at March 31, 2026, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated 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 give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at 31 March 2026, of its consolidated profit and other comprehensive income, consolidated changes in equity and consolidated cash flows for the year then ended.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those SAs are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in terms of the Code of Ethics issued by the Institute of Chartered Accountants of India and the relevant provisions of the Act, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our 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. There were no key Audit Matters to communicate during the Present Financial Year.

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

The Holding Company's Management and 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 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 Holding Company's Management and Board of Directors are responsible for the matters stated in section134(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, which have been used for the purpose of preparation of the consolidated financial statements by the Management and Board of Directors of the Holding Company, as aforesaid.

In preparing the Consolidated financial statements, Management and Board of Directors are responsible for assessing the Company's included in the group 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 respective Board of Directors of the Company included in the group are 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 the Management and Board of Directors use of the going concern basis of accounting in preparation of consolidated financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the appropriateness of this assumption. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group 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.

We communicate with those charged with governance of the Holding Company and such other entity included in the consolidated financial statements of which we are the independent auditors 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 include the audited financial results of M/s. TS Innovations Private Limited, whose financial statements reflect Group's share of total assets of Rs. 27,670 as at 31st March, 2026, group's share of total operating revenue of NIL and group's share of total net profit/(loss) after tax (of Rs. 38,820), for the year ended 31st March, 2026 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 Section143(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 Ind AS Specified under Section133 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, 2026 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2026 from being appointed as a director in terms of Section164(2) of the Act.

G. There are no qualification, reservation or adverse remark relating to the maintenance of accounts and other matters connect therewith;

H. 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.

I. 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 2026.

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 the final dividend paid by the company during the year in respect of the same declared for the previous year is in accordance with section 123 of the Act to the extent it applies to payment of dividend

f. Based on our examination which included test checks, the company has used and accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of audit trail feature being 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.

   In our opinion and according to the information and explanations given to by us, the remuneration paid by the company to its Directors during the current year is in accordance with the provisions of section 197 of the Act. The Remuneration paid to any director is not excess of the limit laid down under section 197 of the Act.

For Narven Associates
Chartered Accountants
FRN : 0005905S

CA. G.V. RAMANA
Partner
Membership No: 025995
UDIN: 26025995ICQVZB5517

Date: 18.05.2026
Place : Hyderabad

ANNEXURE 'A' TO THE INDEPENDENT AUDITOR'S REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS OF TERA SOFTWARE LIMITED FOR THE YEAR ENDED 31ST MARCH 2026

(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 our opinion and according to the information and explanations given to us, the Companies (Auditor's Report) Order, 2020 of the Holding Company did not include any unfavorable answers or qualifications or adverse remarks. In respect of the following entities the CARO report relating to them has been issued by its auditor:

Name of the Subsidiary	CIN
TS Innovations Private Limited	U62020TS2023PTC175114

For Narven Associates
Chartered Accountants
FRN : 0005905S

CA. G.V. RAMANA
Partner
Membership No: 025995
UDIN: 26025995ICQVZB5517

Date: 18.05.2026
Place : Hyderabad

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,2026.

(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 Section143 of the Companies Act,2013 (the "Act")

In conjunction with our audit of the consolidated financial statements of TERA Software Limited (hereinafter referred to as "the Holding Company") as of and for the year ended 31 March 2026, we have audited the internal financial controls with reference to financial statements of the Holding Company and such companies incorporated in India under the Companies Act, 2013, which are its subsidiary companies, as of that date.

In our opinion, the Holding Company and such companies incorporated in India which are its subsidiary companies, have, 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 2026, based on the internal financial controls with reference to financial statements criteria established by such companies considering the essential components of such internal controls 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 and Board of Directors Responsibility for Internal Financial Controls

The respective Company's Management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the respective 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 respective 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 internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to 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 internal financial controls 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 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.

For Narven Associates
Chartered Accountants
FRN : 0005905S

CA. G.V. RAMANA
Partner
Membership No: 025995
UDIN: 26025995ICQVZB5517

Date: 18.05.2026
Place : Hyderabad

CONSOLIDATED BALANCE SHEET AS AT 31-03-2026

(Rs. In Lakhs)

		Particulars		Note	For the Year Ended **As at 31-03-2026 Audited**	For the Year Ended As at 31-03-2025 Audited
I.	**ASSETS**					
1.	**Non-current assets**					
	(i)	Property, Plant & Equipment		1	**2,850.45**	2,653.45
	(ii)	Financial Assets				
		(a)	Investment	2	**-**	-
		(b)	Other Financial Assets	2	**284.70**	225.81
	(iii)	Other non current assets		3	**538.82**	543.32
	(iv)	Deferred tax Asset (net)		4	**219.60**	199.93
	Total non-current assets				**3,893.58**	3,622.51
2.	**Current assets**					
	(i)	Inventories		5	**-**	-
	(ii)	Financial Assets				
		(a)	Trade receivables	6	**15,831.99**	13,611.74
		(b)	Cash and Cash Equivalents	7	**530.55**	1,038.96
		(c)	Other financial assets	8	**9,990.03**	1,137.49
	(iii)	Other current assets		9	**2,261.37**	1,919.40
	Total current assets				**28,613.93**	17,707.60
	TOTAL				**32,507.51**	21,330.11
II	**EQUITY AND LIABILITIES**					
A	**Equity**					
	(a)	Equity Share Capital		10	**1,251.19**	1,251.19
	(b)	Other Equity		11	**13,344.63**	10,992.72
	(c)	Minority Interest			**0.26**	0.26
	Total Equity				**14,596.08**	12,244.17
B	**Liabilities**					
1.	Non-current liabilities					
	(i)	Financial liabilities				
		(a)	Lease Liabilities		**-**	-
		(b)	Borrowings	12	**831.47**	132.24
	(ii)	Provisions		13	**161.97**	142.40
	Total non-current liabilities				**993.44**	274.64
2.	Current liabilities					
	(i)	Financial liabilities				
		(a)	Lease Liabilities			
		(b)	Borrowings	14	**3,108.62**	1,860.44
		(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				**10,708.81**	5,106.56
		(d)	Other financial liabilities	16	**1,442.79**	744.27
	(ii)	Other current liabilities		17	**827.59**	782.37
	(iii)	Provisions		18	**830.18**	317.66
	Total current liabilities				**16,917.99**	8,811.30
	TOTAL				**32,507.51**	21,330.11

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: 18.05.2026

TERA SOFT
Redefining IT Solutions

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE PERIOD/YEAR ENDED 31-03-2026 (Rs. In Lakhs)

	Particulars	Note	For the Year Ended **31-03-2026** **Audited**	For the Year Ended 31-03-2025 Audited
	Income			
I	Revenue from operations	19	**23,804.53**	10,764.38
II	Other income	20	**392.99**	406.11
III	**Total Income (I+II)**		**24,197.52**	11,170.49
IV	Expenses			
	Purchases	21	**-**	-
	Change in inventories	22	**-**	4.72
	Technical & Operation expenses	23	**16,235.69**	7,437.03
	Employee benefit expenses	24	**3,345.30**	1,840.15
	Finance costs	25	**744.57**	379.18
	Depreciation and amortization expenses	1	**70.83**	13.59
	Other expenses	26	**553.49**	254.21
	Total Expenses (IV)		**20,949.88**	9,928.88
V	**Profit /(Loss) before Exceptional items and tax (III-IV)**		**3,247.64**	1,241.61
VI	Exceptional items			
	Less:		**-**	35.00
	Add:		**-**	39.26
VII	**Profit/(Loss) before tax (V-VI)**		**3,247.64**	1,237.35
VIII	**Tax expense**			
	1) Current tax		**813.68**	307.30
	2) Earlier years Taxes		**(27.39)**	(6.56)
	3) Deferred tax (Net)		**(18.73)**	(4.88)
IX	**Profit/(Loss) for the period from continuing operations (VII-VIII)**		**2,480.08**	941.49
X	Profit/(Loss)from discontinued operations		**-**	-
XI	Tax expense of discountinued operations		**-**	-
XII	Profit/(Loss) from discontinued operations (after tax) (X-XI)		**-**	-
XIII	**Profit/(Loss) for the period (IX-XII)**		**2,480.08**	941.49
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		**(3.73)**	71.91
	(ii) Income tax relating to items that will be reclassified to profit or loss		**0.94**	(18.10)
XV	Total Comprehensive income for the period (XIII+XIV) (Comprising Profit /(Loss) and Other Comprehensive income for the period		**2,477.28**	995.30
XVI	Earnings per equity share Rs10/- (for continuing operations)			
	1) Basic		**19.82**	7.52
	2) Diluted		**19.82**	7.52

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: 18.05.2026

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 31-03-2026

(Rs. In Lakhs)

	Particulars	Year Ended 31-03-2026	Year Ended 31-03-2025
A.	**Cash flow from operating activities**		
	Net Profit / (Loss) before tax as per Profit & Loss Statement	**3,247.64**	1,237.94
	Adjustments for:		
	Depreciation and amortisation	**70.83**	13.59
	Sundry Credit Balances Written Back	**-**	-
	Interest Income	**(46.29)**	(70.23)
	Interest from IT Refund		
	Bad Debts Written Off	**46.77**	(38.79)
	Finance Cost	**744.57**	379.18
	Other Comprehensive Income	**3.73**	
	Advances Written off	**-**	4.50
	SLA Deductions		-
	CSR Expenditure	**-**	(5.33)
	Exchange Fluctuations	**20.70**	2.77
	Exceptional Credit Loss	**44.30**	2.55
	Changes in Assets and Liabilities:		
	Deffered Asset		
	Trade receivables	**(2,311.32)**	(1,149.28)
	Other Non Financial Assets	**(58.89)**	36.23
	Other Non Current Assets	**4.50**	(50.88)
	Other Financial Assets	**(8,852.54)**	674.63
	Other Current Assets	**(341.97)**	(1,322.84)
	Inventories	**-**	4.72
	Trade Payables	**5,581.55**	878.23
	Long Term Provisions	**15.84**	10.26
	Other Current Liabilities	**45.22**	(5.57)
	Short Term Provisions	**-270.05**	(2.47)
	Other Financial Liabilities	**698.52**	97.62
	Cash generated from operations	**(1,356.88)**	696.83
	Income tax paid	**7.63**	16.20
	Net cash flow from operating activities (A)	**(1,364.51)**	680.63
B.	**Cash flow from investing activities**		
	Property, Plant & Equipment	**(267.79)**	(7.50)
	Sale of Land	**-**	-
	Purchase of Investments	**-**	-
	Interest Income	**46.29**	70.23
	Net cash flow from Investing activities (B)	**(221.51)**	62.73

Particulars		**Year Ended 31-03-2026**	Year Ended 31-03-2025
C.	**Cash flow from financing activities**		
	Short Term Barrowings(Net)	**1,248.18**	(947.14)
	Dividend	**(125.12)**	
	Long Term Borrowings	**699.23**	(406.05)
	Interest Paid	**(744.57)**	(379.18)
	Net cash flow from Financing activities (C)	**1,077.72**	(1,732.37)
Net increase in Cash and cash equivalents (A+B+C)		**(508.29)**	(989.02)
Opening balance of Cash and cash equivalents		**1,038.56**	2,027.57
Closing balance of Cash and cash equivalents		**530.27**	1,038.56
Components of Cash and Cash Equivalents			
Cash and cheques on Hand		**0.92**	9.48
Balances with Banks			
	- On Current Accounts	**16.01**	3.20
	- On Deposit Accounts	**513.34**	1,025.88
Cash and cash Equivalent as per Note 7		**530.27**	1,038.56

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

Date : 18-05-2026
Place: Hyderabad

STANDALONE NOTES FORMING PART OF THE IND AS FINANCIAL STATEMENTS

CALCULATION OF DEPRECIATION UNDER COMPANIES ACT for the FY 2025-26

1. PROPERTY, PLANT AND EQUIPMENT

Rs. In Lakhs)

S. No.	Details	Gross block as at 01/04/2025	Additions	Deletions	Gross block as at 31/03/2026	Accumulated Depreciation as at 01/04/2025	Total Depreciation upto 31/03/2026	Net Block As 31/03/2026	Net Block As 31/03/2025
1	Land	2,229.66	-	-	2,229.66	-	-	2,229.66	2,229.66
2	Buildings	558.09	-	-	558.09	148.85	8.84	400.40	409.24
3	Plant & Equipment	332.66	199.71	-	532.37	330.02	52.87	149.48	2.64
4	Furniture & Fixtures	123.64	-	-	123.64	121.84	1.37	0.43	1.80
5	Vehicles	99.79	52.15	-	151.94	96.72	4.56	50.66	3.07
6	Office Equipment	30.69	15.96		46.65	26.21	2.33	18.11	4.48
7	Electrical & Fixtures	105.91	-	-	105.91	103.36	0.87	1.68	2.55
8	Capital Expenditure on Projects Div	1,082.88	-	-	1,082.88	1,082.88	-	-	-
		4,563.32	267.82	-	4,831.14	1,909.88	70.83	2,850.45	2,653.44

CONSOLIDATED NOTES FORMING PART OF THE IND AS FINANCIAL STATEMENTS

(Rs. in Lakhs)

	Particulars	As at 31-03-2026 Audited	As at 31-03-2025 Audited
	FINANCIAL ASSETS		
2	**OTHER FINANCIAL ASSETS**		
	Investment		
	TS Innovations Pvt.Ltd	**-**	-
	Security and other Deposits	**284.70**	225.81
	Total	**284.70**	225.81
3	**OTHER NON CURRENT ASSETS**		
	(Unsecured, Considered good)		
	Bank deposits maturity of morethan 12 months	**110.43**	114.93
	BG Claim Under Protest	**428.39**	428.39
	Total	**538.82**	543.32
4	**Deferred tax Asset (net)**		
	On account of Fixed Assets	**-11.37**	-3.64
	On account of Income tax disallowances	**230.97**	203.57
	Total	**219.60**	199.93
5	**INVENTORIES**		
	(a) Finished Goods	**-**	-
	(b) Consumables	**-**	-
	(c) Work-in-progress	**-**	-
	Total	**-**	-
6	**Trade receivables**		
	a) Considered Good - Secured		
	b) Considered Good - Unsecured	**16,522.53**	14,257.97
	c) Trade Receivables which have significant increase in credit risk	**-**	-
	d) Trade Receivables credit Impaired	**-**	-
	Less: Credit Loss Allowance	**(690.54)**	(646.23)
	Total	**15,831.99**	13,611.74
7	**Cash and Cash Equivalents**		
	(i) Cash on hand	**0.92**	9.47
	(ii) Balances with Banks		
	In current accounts	**16.01**	3.20
	HDFC Bank Dividend A/c	**0.41**	-
	HDFC Bank A/c. No.50200087042403	**0.28**	0.41
	In Marging Money Deposits	**512.94**	1,025.88
	Total	**530.55**	1,038.96
8	**Other financial assets**		
	Accrued Interest	**24.21**	45.65
	Unbilled Receivables	**9,965.82**	1,091.85
	Total	**9,990.03**	1,137.49
9	**OTHER CURRENT ASSETS**		
	(Unsecured and considered good)		
	(a) Advance to Suppliers / Service Providers	**470.91**	411.17
	(b) Staff Advances	**3.75**	3.15
	(c) Advance for Expenses	**1.45**	2.30
	(d) Prepaid expense	**848.36**	987.56
	(e) Balances with government authorities	**926.20**	503.28
	(f) Rent Receivable	**10.70**	11.94
	Total	**2,261.37**	1,919.40

CONSOLIDATED NOTES FORMING PART OF THE IND AS FINANCIAL STATEMENTS (Rs. in Lakhs)

Particulars	Year Ended		Year Ended	
	As at 31-03-2026		As at 31-03-2025	
	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 31-03-2026**		As at 31-03-2025	
	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 31-03-2026**		As at 31-03-2025	
	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 As at 31-03-2026 Audited	For the Year Ended As at 31-03-2025 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	**6,306.70**	5,311.66
	CSR Expenditure	**-**	-
	IND AS Impact	**-**	-
	Add: Profit for the year / period	**2,480.08**	941.49
	Figures as at the end of Reporting period	**8,786.77**	6,253.15
	Other Comprehensive Income / Loss Net of Tax at the end of the previous reporting year		
	Other Comprehensive Income / Loss Net of Tax	**(2.79)**	53.81
	Less : Proposed dividend	**(125.12)**	-
	: Tax on Proposed dividend	**-**	-
	: Transfer to General Reserves	**-**	-
		(127.91)	53.81
	Total of Reserves and Surplus	**13,344.63**	10,992.72

NATURE OF RESERVES

i General Reserves - Companies cummulative earnings since its formation less distribution.

ii Security Premium- represents the premium received on issue of equity shares.

iii The reserves are utilised in accordance with the provisions of Companies Act, 2013.

CONSOLIDATED NOTES FORMING PART OF THE IND AS FINANCIAL STATEMENTS (Rs. in Lakhs)

	Particulars		For the Year Ended **As at 31-03-2026** **Audited**	For the Year Ended As at 31-03-2025 Audited
12	**Long term borrowings**			
	Term loans			
	From Banks		**35.13**	-
	From Directors		**796.34**	132.24
	Total		**831.47**	132.24
13	**Long term provisions**			
	Gratuity		**161.97**	142.40
	Total		**161.97**	142.40
14	**Short term borrowings**			
	-	Secured		
	(a)	Loans repayable on demand from banks	**-**	-
	(b)	Cash credit	**2,931.62**	1,860.44
	(c)	Short Term Working Capital Loans from Banks		
	(d)	Short Term Loan from Others 1 & 2	**177.00**	-
	Total		**3,108.62**	1,860.44
15	**Trade Payables**			
	-	Total Outstanding dues to Micro enterprises and small enterprises	**-**	-
	-	Total Outstanding dues to creditors other than Micro enterprises and small enterprises	**10,708.81**	5,106.56
	Total		**10,708.81**	5,106.56
16	**Other financial liabilities**			
	Retention money		**146.32**	138.75
	Unpaid Dividend		**0.41**	-
	Other Payables		**1,296.06**	605.52
	Advance for Sale of Asset		**-**	-
	Total		**1,442.79**	744.27
17	**Other current liabilities**			
	Advance from customers / Mobilisation advances		**-**	-
	Statutory dues		**777.12**	756.00
	Other payables		**50.47**	26.37
	Total		**827.59**	782.37
18	**Short-term provisions**			
	Provision for employee benefits:			
	Gratuity		**15.30**	10.36
	Provision for Income Tax		**813.68**	307.30
	Provision- others:			
	-	Provision for SLA's	**1.20**	-
	Total		**830.18**	317.66

CONSOLIDATED NOTES FORMING PART OF THE IND AS FINANCIAL STATEMENTS (Rs. in Lakhs)

	Particulars	For the Year Ended **As at 31-03-2026** **Audited**	For the Year Ended As at 31-03-2025 Audited
19	**REVENUE FROM OPERATIONS**		
	Sales of Services	**23,804,53**	10,725.59
	Operating Revenue	**-**	38.79
	Total	**23,804,53**	10,764.38
20	**OTHER INCOME**		
	Interest income	**46.29**	70.23
	Rental Income	**344.82**	335.88
	OTHER INCOME	**1.88**	-
	Profit on Sales Asset	**-**	-
	Total	**392.99**	406.11
21	**PURCHASES**		
	Purchase	**-**	-
	Total	**-**	-
22	**CHANGES IN INVENTORIES**		
	INVENTORIES AT THE BEGENNING OF THE YEAR		
	Opening Stock		
	Traded Goods	**-**	4.72
	Consumables	**-**	-
	Total (A)	**-**	4.72
	INVENTORIES AT THE END OF THE YEAR		
	Closing Stock		
	Traded Goods	**-**	-
	Consumables	**-**	-
	Total (B)	**-**	-
	(Increase) / Decrease in Stocks (A) - (B)	**-**	4.72
23	**TECHNICAL & OPERATION EXPENSES**		
	Power and Fuel	**39.70**	21.96
	Software Maintenance Charges	**72.64**	45.65
	Rent Charges	**67.97**	13.42
	Consumables	**0.20**	0.44
	Insurance	**8.26**	7.86
	Repairs & Maintenance & AMC Charges	**239.99**	181.29
	Transport Charges	**6.19**	0.81
	Exchange Fluctuation	**20.70**	2.77
	Subcontract & Other Work Charges	**15,780.04**	7,162.83
	Total	**16,235.69**	7,437.03
24	**EMPLOYEE BENEFIT EXPENSE**		
	Salaries, Wages and other benefits	**3,063.66**	1,671.78
	Contribution to Provident Fund & other Funds	**276.48**	164.98
	Staff Welfare Expense	**5.16**	3.39
	Total	**3,345.30**	1,840.15

CONSOLIDATED NOTES FORMING PART OF THE IND AS FINANCIAL STATEMENTS (Rs. in Lakhs)

	Particulars	For the Year Ended **As at 31-03-2026** **Audited**	For the Year Ended As at 31-03-2025 Audited
25	**FINANCE COST**		
	Interest	**327.21**	262.77
	Other borrowing cost	**417.36**	116.41
	Total	**744.57**	379.18
26	**OTHER EXPENSES**		
	Rates and Taxes	**33.89**	34.65
	Office Maintenance	**29.13**	7.85
	Communication Expense	**4.40**	2.58
	Conveyance Expense	**22.76**	16.42
	Travelling, Boarding & Lodging Expense	**47.34**	29.89
	Printing and Stationery	**2.09**	1.68
	Professional & Consultancy Expense	**251.90**	120.15
	Directors' sitting fee	**8.50**	8.42
	Discounts & Disallowances	**-**	-
	Advertisement Expense	**2.90**	1.59
	Advances Written Off	**-**	4.50
	Bad Debts Written off	**46.77**	-
	Business Promotion	**5.57**	1.80
	Bank Charges and Others	**9.12**	4.39
	CSR Expenses	**3.60**	-5.33
	Interest on late payment on GST / Service Tax	**11.21**	0.69
	Expected Credit Loss	**44.30**	2.55
	General Expenses	**13.15**	7.47
	SLA Deductions	**1.20**	-
	Miscellaneous Expense	**2.41**	1.66
	Payment to Auditors		
	Statutory Audit fee	**9.25**	9.25
	Tax Audit Fee	**3.00**	3.00
	Other Services	**1.00**	1.00
	Total	**553.49**	254.21

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 18th May 2026.

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 accumulated impairment losses. 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 subsequently measured at cost less accumulated depreciation and accumulated impairment losses in accordance with Ind AS 40. 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 disposal 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 valuation being carried out at each reporting date. 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 Company assesses at contract inception whether a contract is, or contains, a lease. A contract is, or contains, a lease if it conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

(i) Company as a Lessee

At the commencement of a lease, the Company recognises a right-of-use asset and a corresponding lease liability. The right-of-use asset is subsequently measured at cost less accumulated depreciation and impairment losses. The lease liability is measured at the present value of lease payments and is subsequently adjusted for interest, lease payments and remeasurements, where applicable.

Lease payments relating to short-term leases and leases of low-value assets are recognised as an expense in the Statement of Profit and Loss on a straight-line basis over the lease term.

(ii) Company as a lessor

Leases are classified as finance leases or operating leases based on the transfer of risks and rewards incidental to ownership of the underlying asset.

In the case of finance leases, the net investment in the lease is recognised as a receivable and finance income is recognised over the lease term. In the case of operating leases, the underlying asset continues to be recognised under property, plant and equipment and rental income is recognised in the Statement of Profit and Loss on a straight-line basis over the lease term.

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 at fair value, subject to applicable transaction-cost treatment. Trade receivables without a significant financing component are measured at the Ind AS 115 transaction price. 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 less the cumulative amount of income recognised in accordance with Ind AS 115., 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 Fair 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 which is non recoverable

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 -2026

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, 2025	2,229.66	558.09	332.66	123.64	99.79	30.69	105.91	1,082.88
additions	-	-	199.71	-	52.15	15.96	-	-
Deletions	-	-	-	-	-	-	-	-
Gross carrying value as at March 31, 2026	**2,229.66**	**558.09**	**532.37**	**123.64**	**151.94**	**46.65**	**105.91**	**1,082.88**
Accumulated depreciation as at April 1, 2025	-	148.85	330.02	121.84	96.72	26.21	103.36	1082.88
Depreciation	-	8.83	52.87	1.37	4.56	2.33	0.87	-
Accumulated depreciation on deletions	-	-	-	-	-	-	-	-
Accumulated depreciation as at March 31, 2026	**-**	**157.68**	**382.89**	**123.21**	**101.28**	**28.54**	**104.23**	**1082.88**
Carrying value as at April 1, 2025	2229.66	409.24	2.64	1.82	3.07	4.48	2.54	-
Carrying value as at March 31, 2026	**2229.66**	**400.40**	**149.48**	**0.43**	**50.66**	**18.11**	**1.68**	**-**

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	0.00	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**	**-**

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

w) Critical Accounting Judgments and key sources of estimation uncertainty

The preparation of the Company's financial statements requires management to make judgement, estimates and assumptions that affect the reported amount of revenue, expenses, assets and liabilities and the accompanying disclosures. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets and liabilities affected in future periods. The following are the critical judgments, apart from those involving estimations, that the directors have made in the process of applying the Company's accounting policies and that have the most significant effect on the amounts 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, 2026**	As at March 31, 2025
(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**	**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: 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	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.	33.42	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	**3,963.96**	5,065.07
(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 Ind AS 19, Employee Benefits the details of which are as under:

Description			**2025-26**	2024-25
			(Rs in Lakhs)	(Rs in Lakhs)
1.	**Reconciliation of opening and closing balances of obligation**			
	a.	Obligation as at the beginning of the year	**116.09**	165.27
	b.	Current Service Cost	**16.91**	13.53
	c.	Interest Cost	**8.31**	9.21
	d.	Actuarial (Gain)/Loss	**3.73**	(71.40)
	e.	Past services cost	**-**	-
	f.	Benefits Paid	**(0.71)**	(0.51)
	g.	Obligation as at the end of the year	**144.34**	116.09
2.	**Expense recognized in the period**			
	a.	Current Service Cost	**16.91**	13.53
	b.	Interest Cost	**8.31**	9.21
	c.	Actuarial(Gain)/Loss	**0.00**	0.00
	d.	Past service cost	**0.00**	0.00
	e.	Expense recognized during the year	**25.22**	22.74
3.	**Assumptions**		**%**	%
	a.	Discount Rate (per annum) as at the end of the year	**7.35**	6.75
	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-26 (Ind AS19)**		31-Mar-25 (Ind AS-19)	
Defined Benefit Obligation (Base)	**1,44,33,365**		1,16,09,392	
	Decrease	**Increase**	Decrease	Increase
Discount Rate (- / + 1%)	**1,59,13,079**	**1,31,73,347**	1,29,07,333	1,05,09,105
(% change compared to base due to sensitivity)	**10.25%**	**(8.73%)**	11.18%	(9.48%)
Salary Growth Rate (- / + 1%)	**1,30,30,877**	**1,60,65,707**	1,01,00,352	1,34,26,225
(% change compared to base due to sensitivity)	**(9.72%)**	**11.31%**	(13.00%)	15.65%
Attrition Rate (- / + 1%)	**1,34,65,284**	**1,52,79,384**	1,14,26,594	1,17,61,292
(% change compared to base due to sensitivity)	**(6.71%)**	**5.86%**	(1.57%)	1.31%
Mortality Rate (- / + 10%)	**1,44,04,635**	**1,44,62,370**	1,15,48,066	1,16,31,502
(% change compared to base due to sensitivity)	**(0.20%)**	**0.20%**	(0.53%)	0.19%

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 31st 2026 & 2025 (Rs. In Lakhs)

	Integrated Solutions	Technical Division	Projects Division	Others	Unallocable	Total
Revenues	-	7596.00	16208.53	-	-	23804.53
	324.26	*5965.94*	*4474.19*	-	-	*10764.39*
Identified op. expenses		7289.50	11426.08	-	-	18715.58
	-	*5661.02*	*2703.98*	-	-	*8365.00*
Allocated Expenses	-	-	668.65	-	-	668.65
	319.35	-	*288.54*	-	-	*607.89*
Segmental operating income		306.50	4113.80	-	-	4420.30
	4.90	*304.92*	*1481.67*	-	-	*1791.49*
Un-allocable expenses	-	-	-	-	826.40	826.40
	-	-	-	-	*576.22*	*576.22*
Operating income	-	-	-	-	-	3594.29
	-	-	-	-	-	*1215.27*
Other income/(expenses), net	-	-	-	-	352.03	352.03
	-	-	-	-	*335.88*	*335.88*
Net profit before Interest	-	-	-	-	-	3945.93
	-	-	-	-	-	*1551.15*
(Less): Interest Expenses	-	-	-	-	744.58	744.58
	-	-	-	-	*379.18*	*379.18*
Add: Interest Income	-	-	-	-	46.29	46.29
	-	-	-	-	*70.23*	*70.23*
Net profit before taxes	-	-	-	-	-	3247.64
	-	-	-	-	-	*1242.20*
Exceptional Items	-	-	-	-	-	-
	-	-	-	-	-	*(4.26)*
Income Taxes	-	-	-	-	-	767.57
	-	-	-	-	-	*295.86*
Net Profit after taxes	-	-	-	-	-	2480.07
	-	-	-	-	-	*942.08*
Other Comprehensive Income	-	-	-	-	-	-2.79
	-	-	-	-	-	*53.81*
Net Profit	-	-	-	-	-	2477.28
	-	-	-	-	-	*995.89*
Segment Assets	-	3552.68	20290.00	-	4210.93	28053.61
	16.14	1136.48	13202.12	-	4597.12	18951.00
Segment Liabilities	379.65	964.97	6169.59	-	20539.39	28053.61
	343.26	*682.68*	*2250.25*	-	*15675.67*	*18951.00*
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	YES

Mr.T. Bapaiah Chowdary	Director & Brother to the Chairman & Managing Director (Mr.T.Gopichand)	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
Ms. D. Pravallika	Chief Financial Officer	YES
Mr. T. Raja Shekar	Son of Mr. T. Gopichand	YES
Mrs. T. Pavani Devi	Spouse of Sri.T. Gopichand	YES
TS Innovations Limited	Subsidiary Company	YES
Intiqual Technologies Limited	Related party	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.Raja Shekar
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 (108.00 Lakhs) b) Unsecured Loan Received of Rs. 475.00 Lakhs(Rs.0.00 Lakhs) c)Interest on unsecured loan of Rs.42.27 Lakhs (Rs. 33.71Lakhs) d) Loan repaid of Rs.0.00 Lakhs (Rs.350.00 Lakhs) e) Rent paid Rs. 33.22 Lakhs (Rs. 2.39 Lakhs)	a) Unsecured Loan Received of Rs. 0.00 Lakhs(Rs.0.00 Lakhs) b) Interest on Unsecured Loans Rs. 16.52 Lakhs (Rs. 14.87 Lakhs)	a) Managerial Remuneration of Rs. 25.80 Lakhs (Rs. 20.20 Lakhs) b) Unsecured Loan Received of Rs. 135.00 Lakhs (Rs.0.00 Lakhs) c) Interest on unsecured loan of Rs.5.50 Lakh (Rs. 0.00 Lakhs) d) Loan repaid of Rs.3.77 Lakhs (Rs.0.00 Lakhs)	a)Sitting Fee Paid Rs.1.98 Lakhs. (Rs.1.98 Lakhs) b)Total transaction value is Rs. 0.00 lakhs (Rs. 0.00 Lakhs)	Salary of Rs.15.48Lakhs and Rs.12.24Lakhs and Rs.25.80Lakhs respectively (Rs.14.97 and Rs.11.13 Lakhs and Rs. 3.59 Lakh 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.23.81 lakhs (Rs.24.00 lakhs) b) Unsecured Loan including interest Rs 513.05 lakhs (Rs.0.00 lakh) f) Rent Payable Rs.7.54 Lakh (Rs.2.14Lakh)	a) Unsecured Loan including interest Rs. 147.11 lakhs (Rs.132.24 lakhs)	a) Managerial Remuneration Payable Rs. 1.36 lakhs (Rs. 1.63 lakhs) b) Unsecured Loan including interest Rs 136.18 lakhs (Rs.0.00 lakh)	Purchase of Goods (payable) Rs21.29Lakhs (Rs21.29Lakhs)	Salary Payable of Rs. 1.13 lakhs, Rs.1.01 lakhs and Rs. 1.83 Lakhs respectively. (Rs 1.05, Rs 0.89 and 2.11 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.	Mr. Ch. Mallikarjuna, C.S.	TS Innovations Limited	Intiqual Technologies Limited
Description of the nature of transactions	Salary	Salary	Investments	Unsecured Loan
Volume of the transactions either as an amount or as appropriate proportion	Salary of Rs.8.75 Lakhs (Rs.7.71 Lakhs)	Salary of Rs 11.39Lakhs (Rs.10.24 Lakhs)	Investments of Rs. 0.26 Lakhs (Rs.0.74 Lakhs)	Unsecured Loan Received of Rs. 102.00 Lakhs (Rs.0.00 Lakhs) b) Loan Repaid of Rs.25.00 Lakhs
The amounts or appropriate proportions of outstanding items pertaining to related parties at the Balance Sheet date	Salary Payable of Rs. 0.00 Lakhs (Rs 0.57 Lakhs)	Salary Payable of Rs. 0.96 Lakhs (Rs. 0.77 Lakhs)	Investment of Rs.1.00 Lakhs (Rs.0.74 Lakhs)	Investment of Rs.1.00 Lakhs (Rs.0.74 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 31-03-2026**	As at 31-03-2025
A. Equity	**14,596.08**	12,245.00
B. Net debt		
Short-term borrowings and current portion of long-term debt	**3,108.62**	1,860.44
Add: Long-term debt	**831.47**	132.24
Less: Cash and cash equivalents	**17.61**	13.08
B. Total Net Debt	**3,922.48**	1,979.60
Total capital (A + B)	**18,520.04**	14,224.60

- **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, 2026, and March 31, 2025.

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 March 31, 2026	**As at March 31, 2025**	As at March 31, 2026	As at March 31, 2025
USD	**4.01 (INR 379.65)**	**4.01 (INR 343.26)**	1.73 (INR 163.66)	1.73 (INR 147.97)

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

Particulars	Foreign Currency Sensitivity	
	As at March 31, 2026	As at March 31, 2025
	INR	INR
2% Depreciation in INR		
Impact on P&L	**10.87**	9.82
Total	**10.87**	9.82
2% Appreciation in INR		
Impact on P&L	**(10.87)**	(9.82)
Total	**(10.87)**	(9.82)

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 31-03-2026	As at 31-03-2025
	Measured at Amortised cost		
(i)	**Financial Assets**		
	a. Trade receivables	**15,831.99**	13,611.74
	b. Cash & Cash Equivalents and bank balances (Includes Margin Money Deposits)	**530.55**	1,038.96
	c. Other financial assets	**9,990.03**	1,137.49
	Total	**26,352.57**	15,788.20
(ii)	**Financial Liabilities**		
	Measured at Amortised cost		
	a. Borrowings	**3,108.62**	1,860.44
	b. Trade payables	**10,708.81**	5,106.56
	c. Other financial liabilities	**1442.79**	744.27
	Total	**15,260.22**	7,711.27

(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 31,2026**			As at March 31,2025		
	Within Twelve Months	**After Twelve Months**	**Total**	Within Twelve Months	After Twelve Months	Total
Borrowings	**3,108.62**	**831.47**	**3,940.09**	1,860.44	132.24	1,992.68
Trade payables	**8780.94**	**1927.86**	**10,708.81**	3128.96	1977.60	5106.56
Other financial liabilities	**1442.79**	**-**	**1442.79**	582.48	138.75	721.23

33 Deferred Tax

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

The deferred tax Asset as at March 31, 2026 and March 31, 2025 comprise of the following: (Rs. in Lakhs)

	Particulars	As at 31-03-2026	As at 31-03-2025
A	**Deferred Tax Liability / Asset**		
	Related to fixed assets	**(11.37)**	(7.78)
B	**Deferred Tax Assets**		
	Disallowance under the Income tax Act,1961	**230.97**	207.71
C	**Deferred tax (Liability)/Asset (net)**	**219.60**	199.93

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 31-03-2026**	As at 31-03-2025
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 2025-26**	FY 2024-25
Gross Amount required to be spent during the year	**3,60,413**	-
Earlier Years	**-**	-
Amount spent during the year in Cash	**3,60,420**	
i) On Construction / acquisition of any asset	**-**	-
ii) On purposes other than (i) above	**Project of development activities undertaken for Rythu Bharosa Kendra / MPP School at Telugurao Palem, Ghantasala Mandal, Krishna District, Andhra Pradesh-PIN:521132**	-
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.

Based on the audited financial statements for the three financial years up to and including FY 2025-26, the average net profit of the Company for the immediately preceding three financial years amounts to ₹16,99,72,499. Accordingly, the CSR obligation for FY 2026-27, being 2% of such average net profit, amounts to ₹33,99,450, which is required to be spent during FY 2026-27 in accordance with the applicable provisions of Section 135 of the Companies Act, 2013 and the rules made thereunder.

36. Earnings Per Share

Particulars	**FY 2025-26**	FY 2024-25
Net Profit After Tax (Rs in lakhs)	**2480.08**	941.049
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.)	**19.82**	7.53

37. Disclosures of shareholding of Promoters and promoters

Shares held by Promoters at the end of the year 31 March 2026					As at 31 March 2025	
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 Raja sekhar	28.25	22.58%	-	28.25	22.58%
5	Tummala Bapaiah Chowdary	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 31st2026 and March 31st2025 are as follows:

	Particulars	Numerator	Denominator	**31.03.2026**	31.03.2025	Variance
a)	Current Ratio	Current assets	Current liabilities	**1.69**	2.01	-16%
b)	Debt-Equity ratio	Total Debt	Shareholders' equity	**0.27**	0.16	66%
c)	Debt service coverage ratio	Earnings available for debt service	Debt service	**5.46**	4.31	27%
d)	Return on equity ratio	Net Profit after taxes	Equity	**0.17**	0.08	121%
e)	Inventory turnover ratio	Turnover	Closing Inventory	**-**	-	0.00%
f)	Trade receivable turnover ratio	Turnover	Closing Receivables	**1.50**	0.79	90%
g)	Trade payable turnover ratio	Purchases	Closing Payables	**-**	-	0.00%
h)	Net capital turnover ratio	Net Sales	Working Capital	**2.04**	1.21	68%
i)	Net profit ratio	Net profit after Tax	Net Sales	**0.10**	0.09	19%
j)	Return on capital employed ratio	Earnings Before Interest & Taxes	Capital employed	**0.22**	0.11	89%
k)	Return on Investment	Net income	Value of equity at the beginning	**0.20**	0.08	142%

39. Trade Receivables (Amount in Rs.)

S.No.	Particulars	TOTAL	< 6 M	6 M - 1 Y	1 - 2 y	2 - 3 y	> 3 Y
1	A P S F L - AMC - PT	5,06,20,398	-	-	-	-	5,06,20,398
2	A P S F L - BBNL	41,77,40,586	-	-	-	-	41,77,40,586
3	APSFL - Mis - Works	64,67,085	-	-	-	-	64,67,085
4	A P S F L - O & M Service	42,99,99,259	-	-	-	-	42,99,99,259
5	Bharat Electronics Limited- Bhoomi (BEL)	5,76,37,344	5,76,37,344	-	-	-	-
6	Davanagere Smart City Limited	3,15,014	3,15,014	-	-	-	-
7	Davanagere Smart Schools	6,76,231	-	-	6,76,231	-	-
8	DVVNL UPPCL	8,13,39,391	-	4,27,56,314	3,85,83,077	-	-
9	DVVNL UPPCL - NEW	5,55,06,150	5,55,06,150	-	-	-	-
10	GST Suvidha	3,06,288	76,700	59,000	1,70,588	-	-
11	ITI Limited-Dr.	11,98,94,401	11,98,94,401	-	-	-	-
12	Maharashtra IT Corporation Ltd.	8,20,678	-	-	8,20,678	-	-
13	MVVNL- UPPCL	7,38,98,625	7,38,98,625	-	-	-	-
14	Odisha Power Transmission Corporation Ltd.,(OPTCL)	52,32,194	52,32,194	-	-	-	-
15	PuVVNL UPPCL	14,18,59,373	14,18,59,373	-	-	-	-
16	PVVNL UPPCL	10,63,17,951	-	4,54,67,536	6,08,50,415	-	-
17	WBSEDCL Order Oct 20 to Sep 25	2,96,67,357	1,21,68,631	1,74,98,726	-	-	-
18	WBSEDCL Order Oct 25 to Sep 28	7,36,97,091	7,36,97,091	-	-	-	-
19	Madhyanchal One Infrastructure Pvt. Ltd.	2,58,042	-	2,58,042	-	-	-
	Grand Total	1,65,22,53,458	54,02,85,523	10,60,39,618	10,11,00,989	-	90,48,27,328

40. Unbilled dues from the clients: (Amount in Rs.)

S.No.	Particulars	TOTAL	< 6M	6M- 1Y	1-2Y	2-3Y	>3Y
1	Unbilled Receivable BEL	12,34,51,543	12,34,51,543	-	-	-	-
2	Unbilled Receivables - DSCL - O & M	2,20,89,099	2,20,89,099	-	-	-	-
3	Unbilled Receivable Odisha BBNL AMC	10,54,96,341	9,21,03,450	1,33,92,891	-	-	-
4	Unbilled Receivable-TVSSCSL (RJIO Retail)	3,86,25,873	-	-	-	-	3,86,25,873
5	Unbilled Receivables - Setu Nashik	4,50,000	4,50,000	-	-	-	-
6	Unbilled Receivables - BSNL WB	63,29,90,022	48,82,20,631	14,47,69,391	-	-	-
7	Unbilled Receivables - O&M BSNL WB	7,34,78,949	7,34,78,949	-	-	-	-
	Total	99,65,81,827	79,97,93,672	15,81,62,282	-	-	3,86,25,873

41. Trade Payables (Amount in Rs.)

S.No.	Particulars	TOTAL	<1Y	1-2Y	2-3Y	>3Y
1	Advantal Technologies Limited	32,57,280	32,57,280	-	-	-
2	Altice Labs,S.A.	3,79,64,799	-	-	-	3,79,64,799
3	Amilionn Technologies Pvt.Ltd.,	90,17,079	-	-	-	90,17,079
4	Amnex Infotechnologies Pvt,Ltd.,	18,92,676	18,92,676	-	-	-
5	BVM IT Consulting Services India Pvt. Ltd-Sub Cont.	2,75,082	1,23,487	1,51,595	-	-
6	ERI Tech Limited	95,30,152	95,30,152	-	-	-
7	Foregee Infotech - Setu Nashik	8,32,473	4,49,658	3,82,815	-	-
8	HFCL Limited	5,02,43,216	5,02,43,216	-	-	-
9	Hiliks Technologies Limited	2,88,13,398	2,88,13,398	-	-	-
10	Inflow Technologies Pvt. Ltd.	18,09,978	18,09,978	-	-	-
11	Ingram Micro India Pvt. Ltd.	4,11,89,553	4,11,89,553	-	-	-
12	Invas Technologies Pvt.Ltd.,	4,78,33,926	4,78,33,926	-	-	-
13	ITI Limited Cr	15,00,65,281	15,00,65,281	-	-	-
14	Karthik Informatics Private Limited	33,97,332	33,97,332	-	-	-
15	KASH IT Solutions Ltd	3,44,45,185	3,44,45,185	-	-	-
16	Keith Electronics Pvt.Ltd.,	13,15,700	13,15,700	-	-	-
17	Luminex Technosys Private Ltd	2,14,46,723	2,14,46,723	-	-	-
18	Manifold E-Connect Limited	26,70,303	26,70,303	-	-	-
19	Olatech Solutions Limited	34,25,400	34,25,400	-	-	-
20	Power-One Micro Systems (P) Ltd.,	2,02,938	2,02,938	-	-	-
21	Praptham Tech Solutions Pvt Ltd	33,46,120	-	-	-	33,46,120
22	Raja Enterprises	21,28,757	-	-	-	21,28,757
23	Rooman Technologies Pvt.Ltd.,	13,07,000	13,07,000	-	-	-
24	Tejas Networks Limited	1,23,61,227	1,23,61,227	-	-	-
25	TVS Supply Chain Solutions Ltd.,	5,50,13,469	-	1,93,815	6,41,150	5,41,78,504
26	Unbilled Subcontracting Expenses Payable BEL Maha B	10,99,37,281	10,99,37,281	-	-	-
27	Vaibhu Infra Tech India Pvt. Ltd. - Cr	1,33,98,000	1,33,98,000	-	-	-
28	Vaibhu Infra Tech India Pvt. Ltd.- UPPCL	16,32,56,748	7,84,74,847	8,47,81,901	-	-
29	Vaibhu Infra Tech India Pvt.Ltd., - UPPCL(New)	25,35,37,893	25,35,37,893	-	-	-
30	Veekay Connectors Pvt.Ltd.,	69,66,012	69,66,012	-	-	-
		1,07,08,80,980	87,80,94,445	8,55,10,127	6,41,150	10,66,35,258

42. Figures for the corresponding year ended March 31, 2025, 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

Date: 18.05.2026
Place: Hyderabad

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.com

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 32nd Annual General Meeting of the Company, to be held on Tuesday, September 29, 2026 at 03:00 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, 2026, together with the Reports of the Board of Directors and Auditors thereon.
2	To declare dividend on Equity Shares (Rs.1.20/- per equity Share).
3	To re-appoint Mr. Bapaiah Chowdary Tummala (DIN: 00107795) as a Director liable to retire by rotation.
Special Business	Ordinary Resolution
4	To approve the remuneration payable to Mr. T. Rajasekhar, Vice President (Applications), holding an office or place of profit under Section 188(1)(f) of the Companies Act, 2013

Signed this ______ day of ____________________, 2026

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 theRegistered 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.com

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

32nd Annual General Meeting held on September 29, 2026

Full name of the members attending: ______________________________

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

I hereby record my presence at the 32nd Annual General Meeting of Tera Software Limited held on Tuesday, September 29, 2026 at 03:00 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:

1) Members are requested to bring their copies of the Annual Report to the meeting, since further copies will not be available.
2) The Proxy, to be effective should be deposited at the Registered Office of the Company not less than FORTY EIGHT HOURS before the commencement of the meeting.
3) A Proxy need not be a member of the Company.
4) The submission by a member of this form of proxy will not preclude such member from attending in person and voting at the meeting.
5) In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by Proxy, shall be accepted to the exclusion of the vote of the other joint holders. Seniority shall be determined by the order in which the names stand in the Register of Members.
6) In terms of the Requirements of the Secretarial Standard on General Meetings (SS-2) issued by the Institute of the Company Secretaries of India; route map for the location of the venue of the 32nd 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.com

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)

<table>
<tr><td>CIN</td><td colspan="3">L72200TG1994PLC018391</td></tr>
<tr><td>Name of the Company</td><td colspan="3">Tera Software Limited</td></tr>
<tr><td>Registered Office</td><td colspan="3"># 8-2-293/82/A/1107, Plot No. 1107, Road No.55, Jubilee Hills, Hyderabad - 500 033, Telangana, India</td></tr>
<tr><td>Name of the member(s)</td><td colspan="3"></td></tr>
<tr><td>Registered Address</td><td colspan="3"></td></tr>
<tr><td>E-mail Id</td><td colspan="3"></td></tr>
<tr><td>Folio No./Client ID</td><td></td><td>DP ID</td><td></td></tr>
<tr><td>Number of Equity shares held</td><td colspan="3"></td></tr>
</table>

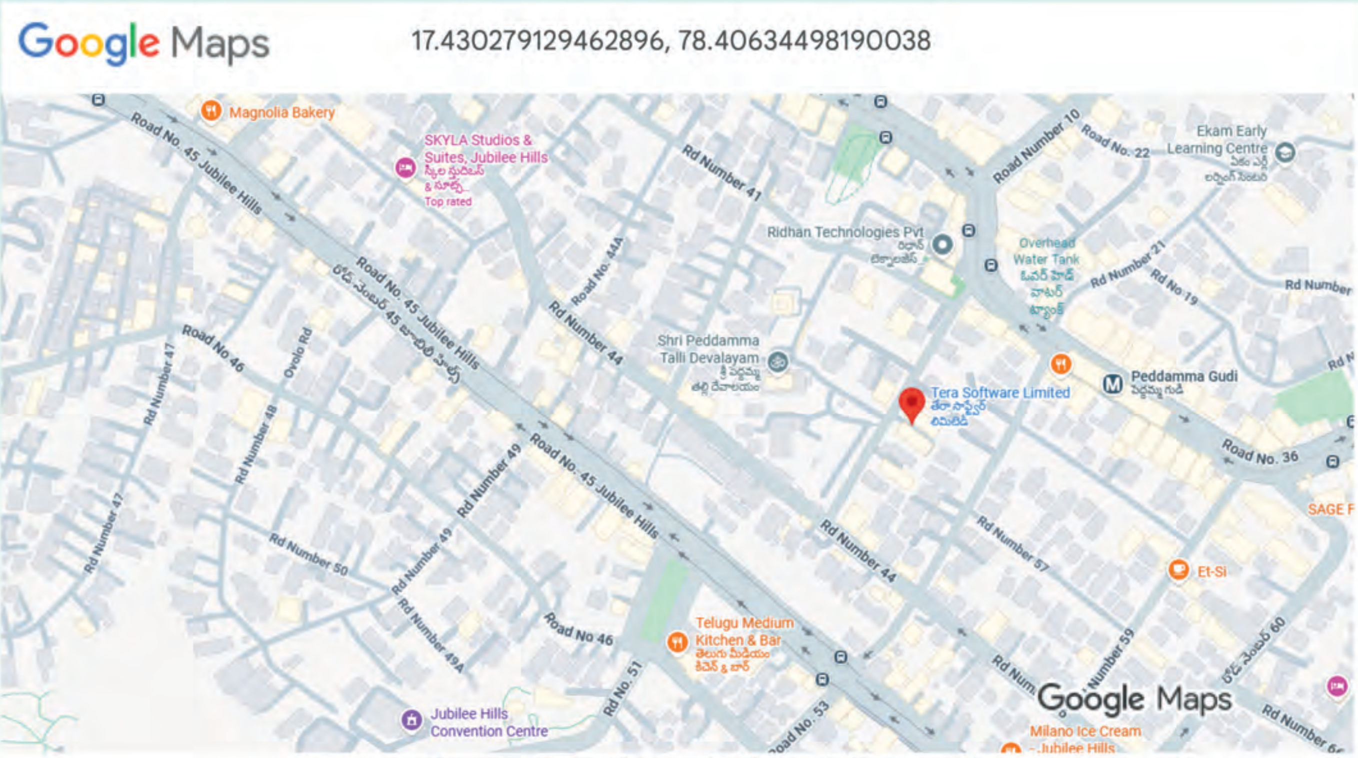
In respect of 32nd Annual General Meeting of Tera Software Limited held on Tuesday, September 29, 2026 at 03:00 pm at the Registered Office of the Company at # 8-2-293/82/A/1107, Plot No. 1107, Road No.55, Jubilee Hills, Hyderabad-500033, Telangana, India. I hereby exercise my vote in respect of Ordinary / Special Resolutions enumerated below by recording my assent or dissent to the said Resolutions in the following manner:

<table>
<tr><th rowspan="2">Sl.No.</th><th rowspan="2">Resolution (s)</th><th colspan="2">Vote</th></tr>
<tr><th>For</th><th>Against</th></tr>
<tr><td>Ordinary Business</td><td colspan="3">Ordinary Resolutions</td></tr>
<tr><td>1</td><td>To consider and adopt the Audited Standalone and Consolidated Financial Statements of the Company for the Financial Year ended March 31, 2026, together with the Reports of the Board of Directors and Auditors thereon.</td><td></td><td></td></tr>
<tr><td>2</td><td>To declare dividend on Equity Shares (Rs.1.20/- per equity Share).</td><td></td><td></td></tr>
<tr><td>3</td><td>To re-appoint Mr. Bapaiah Chowdary Tummala (DIN: 00107795) as a Director liable to retire by rotation.</td><td></td><td></td></tr>
<tr><td>Special Business</td><td>Ordinary Resolution</td><td></td><td></td></tr>
<tr><td>4</td><td>To approve the remuneration payable to Mr. T. Rajasekhar, Vice President (Applications), holding an office or place of profit under Section 188(1)(f) of the Companies Act, 2013</td><td></td><td></td></tr>
</table>

Place: Hyderabad
Date:

(Signature of the Shareholder / Proxy)

32nd AGM Venue Map



TERA SOFTWARE LIMITED

Registered Office: # 8-2-292/82/A/1107, Plot No.1107, Road No.55,
Jubilee Hills, Hyderabad – 500 033, Telangana, India

TERA SOFT
Redefining IT Solutions

TERA SOFTWARE LIMITED

8-2-293/82/A/1107, Plot No. 1107, Road No. 55,
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Tel: +91-40-23547447, **Website:** www.terasoftware.com
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