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Independent auditor's report on the standalone quarterly financial results and Year to Date Results of the company pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015

INDEPENDENT AUDITOR'S REPORT ON AUDIT OF STANDALONE FINANCIAL STATEMENTS

TO THE BOARD OF DIRECTORS OF TERA SOFTWARE LIMITED,

Opinion

We have audited the accompanying standalone quarterly financial results of M/s Tera Software Limited (the company) for the quarter ended 31st March 2020 and the year to date results for the period from 1st April, 2019 to 31st March 2020, attached herewith, being submitted by the company pursuant to the requirement of Regulation 33 of the SEBI (listing Obligations and disclosure Requirements) Regulations 2015 as amended ('Listing Regulations')


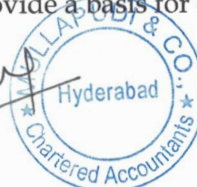
In our opinion and to the best of our information and according to the explanations given to us these standalone financial results:

(i) are presented in accordance with the requirements of regulation 33 of the listing regulations in this regard; and

(ii) gives a true and Fair view in conformity with the recognition and measurement principles laid down in the applicable accounting standards, and other accounting principles generally accepted in India, of net profit and other Comprehensive income and other financial information for the quarter ended 31st March 2020 as well as the year to date results for the period from 1st April, 2019 to 31st March, 2020

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013 ("ACT"). Our responsibilities under those Standards are further described in the *Auditors Responsibilities for the Audit of the Standalone Financial Results* section of our report. We are independent of the company, is in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial Results under the provisions of the Companies Act, 2013 and the rules there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we obtained is sufficient and appropriate to provide a basis for our opinion.

Management's Responsibilities for the Standalone Financial Results

These quarterly financial results as well as the year to date Standalone financial results have been prepared on the basis of the interim financial statements. The Company's Board of Directors are responsible for the preparation and presentation of these financial results that give a true and fair view of the net profit and other comprehensive income and other financial information in accordance with the recognition and measurement principles laid down in Indian Accounting Standards 34, 'Interim financial reporting' prescribed under section 133 of the Act read with relevant rules issued there under and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. The Responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of 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 the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial results that give a true and Fairview and are free from material misstatements, whether due to fraud or error.

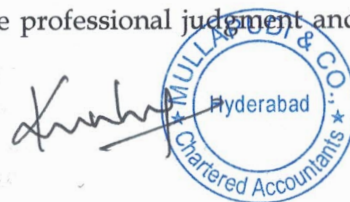
In preparing the standalone financial results, the Board of Directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the board of directors either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are also responsible for overseeing the company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Financial Results

Our objectives are to obtain reasonable assurance about whether the standalone financial results 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 expected to influence the economic decisions of users taken on the basis of these standalone financial results.

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 misstatements of the standalone financial results, 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, misrepresentation, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
- Conclude on the appropriateness of the 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 ability of the group and its associates and jointly controlled entities to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial results or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial results, including the disclosures, and whether the standalone financial results represent the underlying transactions and events in a manner that achieves fair representation.

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.

Place: Hyderabad
Date:30.06.2020

For Mullapudi & Co.,

Chartered Accountants

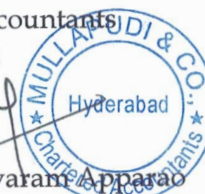
FRN: 006707S


B. Krishna Sivaram

Partner

M. No: 226476

UDIN: 20226476AAAAAU2065



TERA SOFTWARE LIMITED
CIN L72200TG1994PLC018391

#8-2-293/82/A/1107, Plot no 1107, Road no 55, Jubilee Hills, Hyderabad-33.

STATEMENT OF STNDALONE UNAUDITED / AUDITED RESULTS FOR THE QUARTER AND 3 MONTHS ENDED 31.03.2020

Rupees in Lakhs

PARTICULARS	Quarter ended	Preceding Quarter ended	Corresponding 3 Months ended in the previous year	Figures for the year ended	Figures for the year ended
	31.03.2020	31.12.2019	31.03.2019	31.03.2020	31.03.2019
	AUDITED	UNAUDITED	AUDITED	AUDITED	AUDITED
1. Income from operations					
(a) Net Sales / Income from operations (net of excise duty)	9,225.06	7,087.25	10,771.64	26,897.37	17,644.91
(b) Other Operating Income	-	-	-	-	-
Total Income from Operations (Net)	9,225.06	7,087.25	10,771.64	26,897.37	17,644.91
2. Expenses					
Purchases	38.41	37.26	7,023.76	1,576.62	8,868.86
Changes in inventories	143.88	149.82	(18.98)	656.55	151.54
Technical & Operation expense	7,099.52	5,429.16	2,007.38	18,067.80	4,071.18
Employee benefit expense	842.68	837.67	778.33	3,417.44	2,587.75
Depreciation & amortisation expense	16.55	16.27	64.00	80.60	254.69
Other Expenses	598.90	296.08	395.02	1,486.04	655.14
Total expenses	8,739.94	6,766.26	10,249.51	25,285.05	16,589.16
3. Profit / (Loss) from Operations before other income, finance costs and exceptional items (1-2)	485.12	320.99	522.13	1,612.32	1,055.75
4. Other Income	79.93	76.04	65.75	301.57	249.80
5. Profit / (Loss) from ordinary activities before finance costs and exceptional items (3+/-4)	565.05	397.03	587.88	1,913.89	1,305.55
6. Finance costs	242.04	219.37	205.95	927.38	709.30
7. Profit / (Loss) from ordinary activities after finance costs but before exceptional items (5+/-6)	323.01	177.66	381.93	986.51	596.25
8. Exceptional Items	-	-	-	-	-
9. Profit / (Loss) from ordinary activities before Tax (7+/-8)	323.01	177.66	381.93	986.51	596.25
10. Tax expense					
1) Current Tax	109.91	81.44	223.65	352.91	269.15
2) Deferred Tax	(4.31)	(38.94)	(81.99)	(18.88)	(40.54)
11. Net Profit/Loss from ordinary activities after tax (9+/-10)	217.41	135.16	240.27	652.48	367.64
12. Extrordinary items (net of tax Expense lakhs)	-	-	-	-	-
13. Net Profit/(Loss) for the period (11+/-12)	217.41	135.16	240.27	652.48	367.64
14. Other Comprehensive Income					
(a) Items that will not be reclassified to profit or loss (ii)					
Income Tax relating to items that will be reclassified to profit or loss					
Add: (b) (i) items that will be reclassified to profit or loss	(23.02)	-	16.35	(23.02)	16.35
Less: (ii) Income Tax relating to items that will be reclassified to profit or loss	(5.79)	-	5.46	(5.79)	5.46
15. Net Profit/(Loss) for the period (13+/-14)	200.18	135.16	251.16	635.25	378.53
Earning Per equity share (for continuing operations):					
(1) Basic	1.74	1.08	1.92	5.21	2.94
(2) Diluted	1.74	1.08	1.92	5.21	2.94
Earning Per equity share (for discontinued & Continuing operations):					
(1) Basic	1.74	1.08	1.92	5.21	2.94
(2) Diluted	1.74	1.08	1.92	5.21	2.94

For Tera Software Limited

[Signature]
VC and Managing Director

TERA SOFTWARE LTD.
CIN L72200TG1994PLC018391
#8-2-293/82/A/1107, Plot no 1107, Road no 55, Jubilee Hills, Hyderabad-33.
SEGMENT WISE REVENUE AND RESULTS

Rupees in Lakhs

Sl. No.	PARTICULARS	3 Months ended	Preceding 3 Months ended	Corresponding 3 Months ended in the previous year	Year to date figures for the current year ended	Year to date figures for the previous year ended
		31.03.2020	31.12.2019	31.03.2019	31.03.2020	31.03.2019
		AUDITED	UNAUDITED	AUDITED	AUDITED	AUDITED
1	Segment Revenue					
	a) Integrated Solutions Division	8.48	144.42	6,974.58	1,811.20	8,131.84
	b) Technical Division	615.32	608.03	644.43	2,422.45	2,602.50
	c) Projects Division	8,601.26	6,334.80	3,152.63	22,663.72	6,910.57
	Net sales/Income from operations	9,225.06	7,087.25	10,771.64	26,897.37	17,644.91
2	Segment Results [Profit / (Loss) before Tax and Interest from each Segment]					
	a) Integrated Solutions Division	(110.43)	146.11	413.64	263.89	91.30
	b) Technical Division	75.30	72.67	71.97	291.27	300.42
	c) Projects Division	862.52	407.34	510.68	2,066.75	1,778.48
	Total	827.39	626.12	996.29	2,621.91	2,170.20
	Less: i) Interest Expenses	242.04	219.37	205.95	927.38	709.30
	ii) Un-allocable expenditure (Net)	342.27	305.13	474.16	1,009.59	1,114.45
	Add: Interest and Other Income	79.93	76.04	65.75	301.57	249.80
	Total Profit/(Loss) Before Tax	323.01	177.66	381.93	986.51	596.25
	Segment Assets					
	Integrated Solutions Division	265.44	375.34	1,519.11	265.44	1,519.11
	Technical Division	1,099.68	999.27	780.76	1,099.68	780.76
	Projects Division	15,544.41	15,613.83	11,419.97	15,544.41	11,419.97
	Unallocable	6,201.29	6,023.17	5,453.94	6,201.29	5,453.94
	Total	23,110.82	23,011.61	19,173.78	23,110.82	19,173.78
	Segment Liabilities					
	Integrated Solutions Division	481.28	527.27	789.45	481.28	789.45
	Technical Division	1,094.17	928.61	559.06	1,094.17	559.06
	Projects Division	6,405.24	5,051.48	2,156.60	6,405.24	2,156.60
	Unallocable	15,130.13	16,504.25	15,668.67	15,130.13	15,668.67
	Total	23,110.82	23,011.61	19,173.78	23,110.82	19,173.78
	(Segment Assets - Liabilities)					
	Integrated Solutions Division	(215.84)	(151.93)	729.66	(215.84)	729.66
	Technical Division	5.51	70.66	221.70	5.51	221.70
	Projects Division	9,139.17	10,562.35	9,263.37	9,139.17	9,263.37
	Unallocable	(8,928.84)	(10,481.08)	(10,214.73)	(8,928.84)	(10,214.73)
	Total	-	-	-	-	-

For Tera Software Limited

[Signature]
VC and Managing Director

STATEMENT OF ASSETS AND LIABILITIES

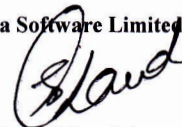
Particulars	Audited		Audited	
	31st March 2020		31st March 2019	
I. ASSETS				
1. Non-current assets				
(i) Property, Plant & Equipment	3,117.10		3,170.43	
(ii) Financial Assets				
(a) Other financial assets	223.73		300.87	
(iii) Other non current assets	306.72		294.38	
(iv) Deferred tax Asset (net)	259.71	3,907.26	235.03	4,000.71
2. Current assets				
(i) Inventories	406.89		1,063.44	
(ii) Financial Assets				
(a) Trade receivables	23,782.64		13,564.53	
(b) Cash and Cash Equivalents	1,586.05		1,306.71	
(c) Other financial assets	56.87		22.22	
(iii) Other current assets	1,714.15	27,546.60	940.48	16,897.38
Total		31,453.86		20,898.09
II EQUITY AND LIABILITIES				
A Equity				
(a) Equity Share Capital	1,251.19		1,251.19	
(b) Other Equity	9,631.12	10,882.31	8,995.86	10,247.05
B Liabilities				
1. Non-current liabilities				
(i) Financial liabilities				
(a) Long-term borrowings	151.81		102.37	
(iii) Long-term provisions	177.22	329.03	126.17	228.54
2. Current liabilities				
(i) Financial liabilities				
(a) Short-term borrowings	2,795.95		4,954.23	
(b) Trade payables				
Total Outstanding dues to Micro enterprises and small enterprises	492.20		238.78	
Total Outstanding dues to creditors other than Micro enterprises and small enterprises	15,911.34		4,557.37	
(c) Other financial liabilities	119.26		167.47	
(ii) Other current liabilities	761.15		352.99	
(iii) Short-term provisions	162.62	20,242.52	151.66	10,422.50
Total		31,453.86		20,898.09

Notes:

- The above financial results for the quarter and year ended 31st March 2020 have been reviewed by the Audit Committee and were approved by the Board of Directors of the Company at the meeting held on 30th June 2020
- This statement is as per regulation 33 of the SEBI (Listing obligations and disclosure Requirements) Regulations, 2015. These financials results of the Company were prepared in accordance with the Indian Accounting Standards prescribed under section 133 of the Companies Act, 2013 ("the act") read with relevant rules issued there under ("Ind AS") and other accounting principles generally accepted in India and guidelines issued by the Securities and Exchange Board of India ("SEBI").
- Corresponding quarter/Year figures have been re-grouped /re-classified wherever necessary to confirm to the classification of the current period.
- In view of the Non -receipt of approvals for AP Fiber Grid - Operational and maintenance work from the principals for the work executed by the company, billing to APSFL has not been made and the cost incurred is reflected under unbilled work for the quarter.

Place: Hyderabad
Date : 30th June 2020

For Tera Software Limited



T. Gopichand
Vice Chairman & Managing Director
DIN : 00107886



TERA SOFTWARE LIMITED
STNDALONE STATEMENT OF CASH FLOWS

(Rupees in Lakh)

Particulars	For the year ended	For the year ended
	31.03.2020	31.03.2019
	Audited	Audited
A. Cash flow from operating activities		
Net Profit before tax as per Profit & Loss Statement	986.51	596.27
Adjustments to reconcile profit before tax to net cash flow:		
Depreciation and amortisation	80.60	254.69
Sundry Credit Balances Written Back	394.27	281.64
Interest Income	(107.63)	(57.49)
Bad Debts Written Off	863.26	201.05
Finance Cost	(927.38)	(709.30)
Changes in Assets and Liabilities		
Trade receivables	(4,131.15)	(2,126.95)
Other Financial Assets and Other Assets	(6,907.73)	(84.89)
Other Non Current Assts	(12.34)	(224.64)
Other Current Assets	(773.67)	73.49
Inventories	656.55	151.54
Trade Payables	11,213.12	1,344.47
Long Term Provisions	51.05	0.69
Long Term Borrowings	49.44	(4.59)
Other Current Liabilities	408.16	(422.64)
Short Term Provisions	10.96	(90.23)
Other Financial Liabilities	(48.21)	28.74
Cash generated from operations	1,805.81	(788.15)
Income tax paid	(375.95)	(274.61)
Net cash flow from operating activities (A)	1,429.86	(1,062.76)
B. Cash flow from investing activities		
Property, Plant & Equipment	(27.27)	(11.10)
Interest Income	107.63	57.49
Net cash flow from Investing activities (B)	80.36	46.39
C. Cash flow from financing activities		
Short Term Barrowings(Net)	(2,158.28)	645.40
Interest Paid	927.38	709.30
Net cash flow from Financing activities (C)	(1,230.90)	1,354.70
Net increase in Cash and cash equivalents (A+B+C)	279.32	338.33
Opening balance of Cash and cash equivalents	1,306.73	968.40
Closing balance of Cash and cash equivalents	1,586.05	1,306.73
Components of Cash and Cash Equivalents		
Cash and cheques on Hand	12.57	1.06
Balances with Banks		
-On Current Accounts	56.54	386.66
-On Deposit Accounts	1,516.94	919.01
Cash and cash Equivalent as per Note 16	1,586.050	1,306.73

For Tera Software Limited
[Signature]
VC and Managing Director