



TERA SOFT

Redefining IT Solutions

TERA SOFTWARE LIMITED

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

Date: 12-02-2021

To,
BSE Limited
P.J. Towers
Dalal Street, Mumbai - 400001
Scrip: 533982

National Stock Exchange of India Limited
Exchange Plaza, Bandra Kurla complex
Bandra(E), Mumbai - 400051
Symbol: TERASOFT

Dear Sir/Madam,

Sub: Outcome of Board Meeting

The Board of Directors at its meeting held today, i.e. Friday, 12th February, 2021:


1. Considered and approved the Un - Audited Financial Results of the Company for the 3rd Quarter ended 31st December, 2020.
2. Appointment of Mr Divakar Atluri as an Independent Director w.e.f. 12th February, 2021.
3. Appointment of Mr Ch. Mallikarjuna as the Company Secretary & Compliance Officer of the Company w.e.f. 12th February, 2021.

In terms of Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a copy of the said Results and Limited Review Report issued by M/s. Mullapudi & Co., Chartered Accountants, is enclosed herewith.

The Board Meeting commenced at 12:30 P.M. and concluded at 4:00 P.M.

Kindly take the above information on your record.

Yours faithfully,
For Tera Software Limited


Ch. Mallikarjuna
Company Secretary
Memb.No.47545



CIN : L72200TG1994PLC018391

TERA SOFTWARE LIMITED
CIN L72200TG1994PLC018391

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

STATEMENT OF STANDALONE UNAUDITED RESULTS FOR THE QUARTER ENDED 31st DECEMBER, 2020

Rupees in Lakhs

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	Figures for the Previous year ended
	31.12.2020	30.09.2020	31.12.2019	31.12.2020	31.12.2019	31.03.2020
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1. Income from Operations						
(a) Net Sales /Income from operations (net of excise duty)	4,002.74	5,309.14	7,087.25	10,795.75	17,672.30	26,411.34
(b) Other operating Income	-	206.10	-	307.59	0.01	486.03
Total Income from Operations (net)	4,002.74	5,515.24	7,087.25	11,103.34	17,672.31	26,897.37
2. Expenses						
Purchases	0.40	-	21.40	0.40	270.89	308.23
Changes in inventories of finished goods, work-in-progress and stock in trade	72.33	8.85	149.82	114.65	512.67	656.55
Technical & Operation expense	3,371.09	4,327.90	5,445.03	8,363.54	12,235.61	19,336.19
Employee benefit expense	312.06	784.98	837.67	1,847.14	2,574.75	3,417.44
Depreciation & amortisation expense	14.49	15.30	16.27	46.28	64.05	80.60
Other Expenses	77.70	221.45	296.08	447.44	887.13	1,486.05
Total Expenses	3,848.07	5,358.48	6,766.27	10,819.45	16,545.10	25,285.06
3. Profit/(Loss) from operations before other income, finance costs and Exceptional Items (1-2)	154.67	156.76	320.98	283.89	1,127.21	1,612.31
4. Other Income	74.89	105.43	76.04	253.80	221.64	301.57
5. Profit/(Loss) from ordinary activities before finance costs but before Exceptional Items (3+ 4)	229.56	262.19	397.02	537.69	1,348.85	1,913.88
6. Finance costs	201.56	247.08	219.37	652.52	685.34	927.38
7. Profit/(Loss) from ordinary activities after finance costs but before Exceptional Items (5+ 6)	28.00	15.11	177.65	(114.83)	663.51	986.50
8. Exceptional Items	-	-	-	-	-	-
9. Profit/(Loss) from ordinary activities before tax (7+ 8)	28.00	15.11	177.65	(114.83)	663.51	986.50
10. Tax expense						
1) Current Tax	0.37	8.87	81.44	9.23	243.00	352.91
2) Tax Expenses relating to Earlier years	-	-	-	-	-	-
3) Deferred Tax	3.94	(5.67)	(38.94)	(35.91)	(14.57)	(18.88)
11. Profit/(Loss) from ordinary activities after tax (9+ 10)	23.69	11.91	135.15	(88.15)	435.08	652.47
12. Extraordinary items (net of tax Rs expense _____ Lakhs)	-	-	-	-	-	-
13. Net Profit/(Loss) before Other comprehensive income (11+ 12)	23.69	11.91	135.15	(88.15)	435.08	652.47
14. Other Comprehensive Income						
Add: (i) Items that will be reclassified to profit or loss	-	-	-	-	-	(23.02)
Less: (ii) Income Tax relating to items that will be reclassified to profit or loss	-	-	-	-	-	(5.79)
13. Net Profit/(Loss) for the period (13+ 14)	23.69	11.91	135.15	(88.15)	435.08	635.24
Earning Per equity share (for continuing operations):						
(1) Basic	0.19	0.10	1.08	(0.70)	3.48	5.21
(2) Diluted	0.19	0.10	1.08	(0.70)	3.48	5.21
Earning Per equity share (for discontinued & Continuing operations):						
(1) Basic	0.19	0.10	1.08	(0.70)	3.48	5.21
(2) Diluted	0.19	0.10	1.08	(0.70)	3.48	5.21

For Tera Software Limited


VC and Managing Director

TERA SOFTWARE LIMITED

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	Figures for the Previous year ended
		31.12.2020	30.09.2020	31.12.2019	31.12.2020	31.12.2019	31.03.2020
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1	Segment Revenue						
	a) Integrated Solutions Division	0.45	-	6.21	0.45	361.09	361.09
	b) Technical Division	270.76	544.87	608.03	1,419.42	1,807.13	2,422.45
	c) Projects Division	3,731.53	4,970.37	6,473.01	9,683.47	15,504.09	24,113.83
	Net sales/Income from operations	4,002.74	5,515.24	7,087.25	11,103.34	17,672.31	26,897.37
	Segment Results [Profit / (Loss) before Tax and Interest from each Segment]						
2	a) Integrated Solutions Division	(71.47)	-	(20.02)	(71.47)	72.48	(73.77)
	b) Technical Division	29.73	60.16	72.67	164.76	215.97	291.27
	c) Projects Division	315.31	272.90	574.35	718.93	1,509.05	2,408.23
	Total	273.57	333.06	627.00	812.22	1,797.50	2,625.73
	Less: i) Interest Expenses	201.56	247.08	219.37	652.52	685.34	927.38
	ii) Un-allocable expenditure (Net)	118.90	176.30	306.02	528.33	670.29	1,013.42
	Add: Interest and Other Income	74.89	105.43	76.04	253.80	221.64	301.57
	Total Profit/(Loss) Before Tax	28.00	15.11	177.65	(114.83)	663.51	986.50
	Segment Assets						
	Integrated Solutions Division	119.05	246.43	354.75	119.05	354.75	253.81
	Technical Division	787.40	1,506.91	999.27	787.40	999.27	1,099.68
	Projects Division	18,542.88	14,969.31	15,634.42	18,542.88	15,634.42	15,556.04
	Unallocable	5,470.08	5,529.37	6,023.17	5,470.08	6,023.17	6,201.29
	Total	24,919.41	22,252.02	23,011.61	24,919.41	23,011.61	23,110.82
	Segment Liabilities						
	Integrated Solutions Division	414.98	423.00	527.14	414.98	527.14	481.28
	Technical Division	995.13	1,218.80	928.61	995.13	928.61	1,094.17
	Projects Division	7,174.67	4,214.48	5,057.99	7,174.67	5,057.99	6,405.24
	Unallocable	16,334.63	16,395.74	16,497.87	16,334.63	16,497.87	15,130.13
	Total	24,919.41	22,252.02	23,011.61	24,919.41	23,011.61	23,110.82
	(Segment Assets - Liabilities)						
	Integrated Solutions Division	(295.93)	(176.57)	(172.39)	(295.93)	(172.39)	(227.47)
	Technical Division	(207.73)	288.11	70.66	(207.73)	70.66	5.51
	Projects Division	11,368.21	10,754.83	10,576.43	11,368.21	10,576.43	9,150.80
	Unallocable	(10,864.55)	(10,866.37)	(10,474.70)	(10,864.55)	(10,474.70)	(8,928.84)
	Total	-	-	-	-	-	-

Notes:

- The above financial results for the quarter ended 31st December 2020 have been reviewed by the Audit Committee and were approved by the Board of Directors of the Company at the meeting held on 12th February 2021
- This statement is as per regulation 33 of the SEBI (Listing obligations and disclosure Requirements) Regulations, 2015. These financial 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").
- In view of non-realisation of bills from AP Fiber Grid project for operation and maintenance work being executed by the company, the Company is recognising the revenue only to the extent of cost incurred for the project till the termination notice received from Client
- Bank guarantee invoked by "Andhra Pradesh State Fibernet limited" of Rs.4.28 Crores. 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.

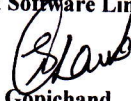
For Tera Software Limited


VC and Managing Director

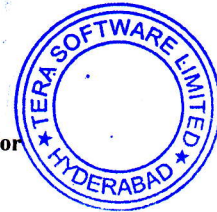
- 5 **Bank Balance Attachment from Government of AP:** The Commercial taxes Department of Andhra Pradesh has given an **attachment notice to the Bank of Maharashtra** to hold and remit an amount of Rs.73,36,942/- to the Govt. from the cash credit account of the Company due to commercial tax department for the Period March – May 2020 based on GSTR1 forms filed for the above months.
- 6 **Orders Issued by GST Department:** Best Judgment assessment orders under section 62 have been passed by the GST Department – Andhra Pradesh for the period March to November 2020 for non filing of GSTR-3B returns and raised a demand of Rs.3.13 Crores including interest of Rs.9.18 lakhs. A reply has been filed with the department by the company requesting for extension of time for filing the returns and payment of taxes till the huge arrears due from APSFL are realized.
- 7 **Orders Issued by Appellate Deputy Commissioner (CT), Tirupathi:** The order restricts the input availed by the company to 75% of the input claimed treating the service being executed as a Works contract instead of the supply and services contracts separately (APSFL Project). A demand of Rs.21,45,089/- has been raised by the department including a penalty of Rs.4,29,018. The company plans to challenge the proceedings before the Appellate Tribunal.
- 8 **Orders Issued by Deputy Commissioner (CT) Guntur Division:** The orders restricts the input availed by the company to 75% of the input claimed treating the work being executed as a Works contract instead of the supply and services contracts separately (AP Civil Supplies Project). A demand of Rs.6,96,746/- has been raised by the department. The company we are told plans to challenge the above order before the Appellate Tribunal.
- 9 The Company has considered possible effects that may result from Covid-19 in preparation of these financial results including recoverability of its assets. In developing the assumptions relating to future uncertainties in the economic conditions due to Covid-19 it has, at the date of approval of these results considered relevant internal and external sources of information and expects that the carrying amount of these assets are recoverable. The impact of Covid -19 may be different from that estimated as at the date of approval of these financial results.
- 10 Corresponding quarter/year to date/Year figures have been re-grouped /re-classified wherever necessary to confirm to the classification of the current period.

Place: Hyderabad
Date : 12th February 2021

For Tera Software Limited



T. Gopichand
Vice Chairman & Managing Director
DIN : 00107886





MULLAPUDI & Co., CHARTERED ACCOUNTANTS

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E-mail: ca.mullapudi@gmail.com

LIMITED REVIEW REPORT

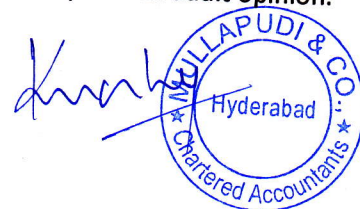
Limited Review Report on Standalone Unaudited Quarterly Financial Results Under Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

To the Board of Directors of Tera Software Limited

We have reviewed the accompanying statement of unaudited standalone financial results of M/s TERA SOFTWARE LIMITED, for the quarter and nine months ended 31st December 2020 and the year to date results for the period 01 April 2020 to 31 December 2020, being submitted by the Company pursuant to the requirements of regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 (as amended) including relevant circulars issued by the SEBI from time to time.

This Statement, which is the responsibility of the Company's Management and approved by the Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, Interim Financial reporting ('Ind AS 34'), prescribed under Section 133 of the Companies Act, 2013 ('the Act'), and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.

We conducted our review of the Statement in accordance with the Standard on Review Engagement (SRE) 2410, Review of Interim Financial Information performed by the Independent Auditor of the Entity, issued by the Institute of Chartered Accountants of India. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with the Standards on Auditing specified under section 143(10) of the Act, and consequently, does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.





MULLAPUDI & Co., CHARTERED ACCOUNTANTS

Flat No 1A, Rama Apartments, Plot No 84, Srinagar Colony, Hyderabad - 500073

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Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in Ind AS 34, prescribed under Section 133 of the Act, and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) including the manner in which it is to be disclosed, or that it contains any material misstatement.

Place: Hyderabad

Date: 12.02.2021

for Mullapudi & Co
Chartered Accountants
FRN.006707S


B. Krishna Sivaram Apparao
Partner

ICAI Ms.No.226476

UDIN: 21226476AAAABO5908

