

CORPORATE GOVERNANCE REPORT

Company's Philosophy on Corporate Governance:

The Company believes that Corporate Governance is a set of processes, customs, policies, rules, regulation and laws for ensuring transparency, professionalism and accountability in its dealings with its customers, principal, employees, shareholders and with every individual who comes in contact with the Company. The Company is in full compliance with the requirements of Corporate Governance under Clause 49 of the Listing Agreement entered into with the Stock Exchanges and in this regard, submits a report on the matters mentioned in the said clause and also the practices followed by the Company as stated below:

Board of Directors:

The Board of Directors, as on 31.03.2015, comprised 2 Executive Directors, 2 Non-Executive Directors and 4 Non-Executive & Independent Directors. The composition of the Board is in conformity with clause 49 of the listing Agreement entered into with the stock Exchanges.

All Independent Directors of the Company have been appointed as per the provisions of the Companies Act, 2013 and the Governance Guidelines for Board Effectiveness adopted by the Company. Formal letters of appointment have been issued to the Independent Directors. The terms and conditions of their appointment are disclosed on the Company's website.

The company has formulated a policy to familiarise the independent directors with the company, their roles, rights, responsibilities in the company, nature of the industry in which the company operates, business model of the company, etc., through various programmes. The details of such familiarisation programme are disclosed on the website of the company www.terasoftware.com.

The Board of Directors met five (5) times during the financial year on 30.05.2014, 07.08.2014, 30.09.2014, 06.11.2014 and 14.02.2015 and the maximum gap between any two meetings was less than four months, as stipulated under Clause 49 of Listing Agreement.

The meetings of the Board are governed by a structured agenda. The Board members in consultation with the Chairman may bring up other matters for consideration at the Board meetings.

Necessary information as required under the statute and as per the guidelines on Corporate Governance are placed before and reviewed by the Board from time to time.

The names and categories of the directors on the Board, their attendance at Board meetings held during the year and the number of directorships and committee memberships held by them in other companies is given below.

Name of the Director	Category	Designation	Attendance Particulars		No. of other Directorships#	Committee memberships##	Chairmanship in Committees##
			Board Meetings	Last AGM			
Sri T.Gopichand	Promoter/ Executive	Vice Chairman & Managing Director	5	yes	-	-	-
Smt. T.Pavana Devi	Promoter/ Non-Executive	Director	5	yes	1	1	-
Sri T.Bapaiah Chowdary	Promoter/ Non-Executive	Director	5	yes	-	1	1
Sri K. Rama Rao	Executive	Wholetime Director	5	yes	-	-	-
*Sri D.Seetharamaiah	Non-Executive and Independent	Director	2	-	5	5	1
**Sri Koteswara Rao SSR	Non-Executive and Independent	Chairman	3	Yes	2	1	-
Sri R.S.Bakkannavar	Non-Executive and Independent	Director	5	yes	1	1	1
Dr.T.Hanuman Chowdary	Non-Executive and Independent	Director	5	yes	2	3	2
Dr. T.V. Lakshmi	Non-Executive and Independent	Director	5	yes	0	1	-

Excludes directorships in Indian private limited companies, foreign companies, companies under Section 25 of the Companies Act, 1956 and Alternate Directorships.

Membership/ Chairmanship in Audit and Stakeholders Relationship Committees of public limited companies (including Tera Software Ltd.) have been considered.

* Sri D.Seetharamaiah Ceased to be a Director w.e.f 30th September, 2014. 2 meetings were held during his tenure.

** Sri Koteswara Rao SSR appointed as Director, w.e.f. 7th August, 2014.

Smt. T.Pavana Devi is the spouse of Sri T. Gopichand. Sri T.Bapaiah Chowdary and Sri T. Gopichand, are brothers. None of the other directors are related to any other director on the Board.

INDEPENDENT DIRECTORS' MEETING

A separate meeting of Independent Directors of the Company, without the attendance of Non-Independent Directors and members of management, was held on 14th February, 2015, as required under Schedule IV to the Companies Act, 2013 (Code for Independent Directors) and Clause 49 of the Listing Agreement. At the Meeting, the Independent Directors:

- i. reviewed the performance of non-independent directors and the Board as a whole;
- ii. reviewed the performance of the Chairperson of the company, taking into account the views of executive directors and non executive directors;
- iii. assessed the quality, quantity and timeliness of flow of information between the company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

Dr.T.Hanuman Chowdary, Sri R.S.Bakkannavar, Sri Koteswara Rao SSR and Dr.T.V.Lakshmi attended the Meeting of Independent Directors. Sri Koteswara Rao SSR chaired the Meeting.

Code of Conduct

The Board of Directors of the Company laid a Code of Conduct for Directors and senior management personnel. The Code of Conduct is posted on the Company's web-site www.terasoftware.com. All Directors and designated personnel in the senior management affirmed compliance with the Code for the year under review. The declaration to this effect furnished by Sri T.Gopichand, Vice Chairman & Managing Director is annexed to this report.

Board and Director Evaluation and criteria for evaluation

During the year, the Board has carried out an annual evaluation of its own performance, performance of the Directors, as well as the evaluation of the working of its Committees.

The Nomination and Remuneration Committee has defined the evaluation criteria, procedure and time schedule for the Performance Evaluation process for the Board, its Committees and Directors. The criteria for Board Evaluation include *inter alia*, degree of fulfillment of key responsibilities, Board structure and composition, establishment and delineation of responsibilities to various Committees, effectiveness of Board processes, information and functioning.

Criteria for evaluation of individual Directors include aspects such as attendance and contribution at Board/ Committee Meetings and guidance/ support to the management outside Board/ Committee Meetings. In addition, the Chairman was also evaluated on key aspects of his role, including setting the strategic agenda of the Board, encouraging active engagement by all Board members and motivating and providing guidance to the Vice Chairman & Managing Director.

Criteria for evaluation of the Committees of the Board include degree of fulfillment of key responsibilities, adequacy of Committee composition and effectiveness of meetings.

BOARD COMMITTEES:

The Company has seven Board level Committees, namely Audit Committee, Stakeholders Relationship Committee, Nomination and Remuneration Committee, Corporate Social Responsibility (CSR) Committee, Risk Management Committee, Share Transfer Committee and Management Committee.

Audit Committee:

The audit committee was reconstituted in accordance with the provisions of Companies Act, 2013 and clause 49 of listing agreement. The terms of reference of the Audit Committee, *inter alia*, are as follows:

- Oversight of the Company's financial reporting process and disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible.

- Review with the management the quarterly and annual financial statements and the auditor's report thereon, before submission to the Board for approval.
- Discuss with the 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.
- Recommend to the Board the appointment, re-appointment and, if required, the replacement or removal of statutory auditors, remuneration and terms of appointment of auditors, fixation of audit fees and to approve payment for any other services rendered by the statutory auditors.
- Review and monitor the auditor's independence and performance and effectiveness of audit process.
- Review with the management, performance of the statutory and internal auditors.
- Review the adequacy of the internal audit function and the adequacy and efficacy of the internal control systems.
- Evaluate internal financial controls and risk management systems.
- Scrutinize inter-corporate loans and investments.
- Discuss any significant findings with internal auditors and follow-up thereon.
- Review the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or failure of internal control systems of a material nature and reporting the matter to the Board.
- Look into the reasons for substantial defaults in payments to depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors.
- Approve transactions, including any subsequent modifications, of the Company with related parties.
- Valuation of undertakings or assets of the Company, wherever it is necessary.
- Review and monitor the statement of use and application of funds raised through public offers and related matters.
- Review the functioning of the Whistle Blower mechanism.
- Approve the appointment of the Chief Financial Officer after assessing the qualifications, experience and background of the candidate.
- And, generally, all items listed in Clause 49 III (D) of the Listing Agreement and in Section 177 of the Companies Act, 2013.

During the year under review, the Committee met 4 times on 29.05.2014, 07.08.2014, 06.11.2014 and 14.02.2015 respectively.

Composition of Audit Committee and attendance of each Director during the meetings held in financial year 2014-15 are given below:

Name	Status	Category	No of Meetings Attended during the 2014-15
Sri R.S.Bakkannavar	Chairman	Non Executive & Independent Director	4
Dr.T.Hanuman Chowdary	Member	Non Executive & Independent Director	4
*Sri D. Seetharamaiah	Member	Non Executive & Independent Director	2
**Sri Koteswara Rao SSR	Member	Non Executive & Independent Director	2

The company secretary acts as the secretary to the committee.

*Sri D. Seetharamaiah, ceased to be the member of the Committee w.e.f. 30th September, 2014.

**Sri Koteswara Rao SSR, appointed as member of the Committee w.e.f. 30th September, 2014.

Stakeholders Relationship Committee:

In terms of Section 178 (5) of the Companies Act, 2013 and Clause 49 of the Listing Agreement, the Shareholders' / Investors' Grievance Committee was renamed as Stakeholders Relationship Committee with effect from 30th May, 2014. Following are the terms of reference of the Stakeholders Relationship Committee:

- 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 Committee met four times during the year i.e. on 30.06.2014, 30.09.2014, 31.12.2014, and 31.03.2015.

The details of composition of the Committee are as under:

Name	Status	Category	No of Meetings Attended during the year 2014-15
Sri T. Bapaiah Chowdary	Chairman	Non Executive Director	4
Dr. T.V. Lakshmi	Member	Non Executive & Independent Director	4
*Sri D. Seetharamaiah	Member	Non Executive & Independent Director	1
**Smt. T. Pavana Devi	Member	Non Executive Director	3

*Sri D. Seetharamaiah, ceased to be the member of the Committee w.e.f. 30th September, 2014.

** Smt. T. Pavana Devi, appointed as member of the Committee w.e.f. 30th September, 2014.

During the year under review, 56 complaints of general nature (non-receipt of annual reports/ dividend warrants, Change of address, /Bank details etc.,) were received from the shareholders were attended promptly and replied/ resolved to the satisfaction of the concerned shareholders. There were no pending complaints at the close of the financial year. The Company designated a separate email id for investor grievances viz: info@terasoftware.in.

Compliance Officer Name and Address:

Ms. V. Sri Lakshmi, Company Secretary,
Tera Software Limited, # 8-2-293/82/A/1107,
P. No. 1107, R. No. 55, Jubilee Hills, Hyderabad – 500033.
E-mail: info@terasoftware.in

Nomination and Remuneration Committee:

The remuneration committee was renamed and reconstituted as Nomination and Remuneration Committee at the Board Meeting held on 30.05.2014.

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.

During the year under review, the Committee met 3 times on 30.05.2014, 07.08.2014, and 30.09.2014 respectively.

Name	Status	Category	No of Meetings Attended during the year 2014-15
Dr. T.Hanuman Chowdary	Chairman	Non Executive & Independent Director	3
Dr. T.V. Lakshmi	Member	Non Executive & Independent Director	3
Sri T.Bapaiah Chowdary	Member	Non Executive Director	3
*Sri D. Seetharamaiah	Member	Non Executive & Independent Director	2

*Sri D. Seetharamaiah, ceased to be the member of the Committee w.e.f. 30th September, 2014.

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:

- 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;
- relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
- 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.

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

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

- 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.
- 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:

- 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.
- 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. 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.
- 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:
 - The Services are rendered by such Director in his capacity as the professional; and
 - 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.

Details of remuneration paid to the Executive Directors for the year:

(Rs. in lakh)

Particulars	Current Year	Previous Year
Vice Chairman & Managing Director (Sri T. Gopichand)	84.00	21.00
Whole Time Director (Sri K. Rama Rao)	18.15	16.35
Total	102.15	37.35

Details of sitting fee paid to the Non-Executive & Independent Directors for the year:

Rs. in lakh)

Particulars	Current Year	Previous Year
Sri D. Seetharamaiah	0.68	1.25
Sri Koteswara Rao SSR	0.50	—
Sri R.S.Bakkannavar	0.97	0.97
Dr. T. Hanuman Chowdary	1.18	0.97
Dr. T.V. Lakshmi	0.99	0.68
Sri T. Bapaiah Chowdary	0.99	0.78
Smt. T. Pavana Devi	0.71	0.50
Total	6.02	5.15

Corporate social responsibility committee:

The Company has constituted a Corporate Social Responsibility (CSR) Committee as required under Section 135 of the Companies Act, 2013 at its Board meeting held on 30.05.2014. The Committee has been constituted with the following terms of reference:

- Formulate and recommend to the Board, a CSR Policy indicating the activity or activities to be undertaken by the Company as specified in Schedule VII of the Companies Act, 2013.
- Recommend the amount to be spent on the CSR activities.
- Monitor the Company's CSR Policy periodically.
- Attend to such other matters and functions as may be prescribed from time to time.

The CSR policy of the Company is available on our website, www.terasoftware.com investors section.

One CSR committee meeting was held during the year on 07.08.2014.

Name	Status	Category	No of Meetings Attended during the year 2014-15
Dr. T.Hanuman Chowdary	Chairman	Non Executive & Independent Director	1
Sri R.S. Bakkannavar	Member	Non Executive & Independent Director	1
*Sri D. Seetharamaiah	Member	Non Executive & Independent Director	1
**Sri T.Gopichand	Member	Executive Director	0
**Sri K. Rama Rao	Member	Executive Director	0
**Smt T. Pavana Devi	Member	Non Executive Director	0

*Sri D. Seetharamaiah, ceased to be the member of the Committee w.e.f. 30th September, 2014.

**Sri T.Gopichand, Sri K. Rama Rao , Smt T. Pavana Devi were appointed as members of CSR Committee w.e.f. 30th September, 2014.

Risk Management Committee

In accordance with the provisions of Clause 49 of the Listing Agreement, the Board of Directors of the Company at its Meeting held on 30th September, 2014 constituted a Risk Management Committee.

The Committee comprises of

Name	Status	Category
Sri Koteswara Rao SSR	Member	Non Executive & Independent Director
Sri T.Gopichand	Member	Executive Director
Sri K. Rama Rao	Member	Executive Director
Operation Head	-	-
Finance Head	-	-

This Committee has been delegated the authority by the Board to review and monitor the implementation of the risk management policy of the Company.

No meeting of this Committee was held during the financial year i.e. 2014-15.

Share Transfer Committee:

The Share Transfer Committee was constituted comprising:

Sri T.Gopichand	Member
Sri K. Rama Rao	Member
Mr. O.Babu Reddy	Member

During the year, the Committee has met 4 times on 30.06.2014, 04.08.2014, 30.09.2014 and 30.12.2014 all the members were present at all the meetings.

Management Committee:

The Management Committee of the Board is responsible for reviewing, items such as Business and strategy review, long-term financial projections, divestments and business restructuring proposals. The Committee is also responsible for advising the management on development of business plans and future strategies for the Company.

The constitution of the Management Committee of the Board comprises of Five Directors viz.,

Dr. T.Hanuman Chowdary	-Chairman
Sri R.S.Bakkannavar	-Member
Sri Koteswara Rao SSR	-Member
Sri T.Gopichand	-Member
Sri K. Rama Rao	-Member

Sri D. Seetharamaiah, ceased to be the member of the Committee w.e.f. 30th September, 2014.

During the year, no meeting of the Committee was held.

Investment Committee:

The constitution of the Investment Committee of the Board comprises of three Directors viz.,

Sri T.Gopichand	Member
Sri K. Rama Rao	Member
Sri D.Seetharamaiah	Member

The Investment Committee has been dissolved w.e.f.30.09.2014 and no meetings were held up to that period.

General Body Meetings:

The date, time and venue of the Annual General Body Meetings held during the preceding three years and the special Resolution (s) passed thereat are as follows:

Year	AGM	Location	Date	TIME	SPECIAL RESOLUTION PASSED
2011-12	AGM	Jubilee Hills International Center, Road No.14, Jubilee Hills, Hyderabad	September 28 th , 2012	10.00 A.M	Nil
2012-13	AGM	Jubilee Hills International Center, Road No.14, Jubilee Hills, Hyderabad.	September 30 th , 2013	3.00 PM	Nil
2013-14	AGM	Jubilee Hills International Center, Road No.14, Jubilee Hills, Hyderabad	September 30 th , 2014	3.00 PM	<ul style="list-style-type: none"> i. Approval for doubling limits of remuneration payable to managerial personnel specified in Para-A, Section II, Part-II of Schedule V of the Companies Act, 2013. ii. To limit the borrowings under Section 180(1)(c) of the Companies Act,2013. iii. To create charge/mortgage assets and undertakings of the Company under Section 180(1)(a) of the Companies Act,2013. iv. To alter Articles of Association of the Company in conformity with the Companies Act, 2013.

All the special resolutions were passed with requisite majority by e-voting & poll.

No special resolution was passed through Postal Ballot during the Financial Year 2014-15.

Disclosures:

- i. Related party transactions:
During the period under review, the Company had not entered into any material transaction with any of its related parties. None of the transactions with any of related parties were in conflict with the Company's interest. Attention of members is drawn to the disclosure of transactions with related parties set out in Note No.33 of Financial Statements, forming part of the Annual Report. All related party transactions are negotiated on an arms length basis, and are intended to further the Company's interests.
- ii. There were no occasions of non compliance by the Company and no penalties or strictures were imposed on the Company by the stock exchanges or the SEBI or any statutory authority, on any matter related to Capital markets, during the last three years.
- iii. The Vice Chairman & Managing Director and the Chief Financial Officer have certified to the Board in accordance with Clause 49 IX of the Listing Agreement pertaining to CEO/ CFO certification for the Financial Year ended 31st March, 2015.
- iv. The Company has adopted a Whistle Blower Policy, to provide a formal mechanism to the Directors and employees to report their concerns about unethical behaviour, actual or suspected fraud or violation of the Company's Code of Conduct or ethics policy. The Policy provides for adequate safeguards against victimization of employees who avail of the mechanism and also provides for direct access to the Chairman of the Audit Committee. It is affirmed that no personnel of the Company has been denied access to the Audit Committee.
- v. The company has complied with all the applicable mandatory requirements of the Clause 49 of the Listing Agreement and also has complied with the following non-mandatory requirements as prescribed in Clause 49 of the Listing Agreement with the stock exchange:
 - ❖ The Non-Executive Chairman maintains a separate office, for which the Company is not required to reimburse expenses.
 - ❖ During the year under review, there is no audit qualification in the company's financial statements.
 - ❖ The Internal Auditor directly reports to the Audit Committee.
 - ❖ The Chairman of the Board is a Non-Executive & Independent Director and his position is separate from that of the Vice Chairman & Managing Director.

Means of Communication:

The quarterly and annual financial results of the Company are published in English newspaper and vernacular newspaper shortly after its submission to the Stock Exchanges. The results are also displayed on the Company's website www.terasoftware.com.

The Company's website www.terasoftware.com contains a separate dedicated section 'Investors' where shareholders information is available. Full text of Annual Report is also available on the website in a user friendly and downloadable format as per the requirement of the Listing Agreement.

General Shareholder Information:

i. Annual General Meeting (Day, Date, Time and Venue):	Wednesday, 30 th September, 2015 at 3.00 PM at Jubilee Hills International Center, Road No.14, Jubilee Hills, Hyderabad – 500 033
ii. Financial Year:	April 1 to March 31. The results of every quarter beginning from April are declared within the time specified under the provisions of Listing Agreement.
iii. Date of Book Closure:	21 st September, 2015 to 26 th September, 2015 (both days inclusive).
iv. Listing on stock exchanges:	BSE Limited (Bombay Stock Exchange) Annual listing fee for the year 2015-16 has been paid by the Company to BSE.
v. Stock codes:	BSE : 533982
vi. Company's ISIN :	INE482B01010

vii. Market price data

The monthly high and low stock quotations during the last financial year in Bombay Stock Exchange Limited are given below: (Rs.)

Month	Bombay Stock Exchange Limited	
	Month's High Price	Month's Low Price
April 2014	19.80	14.65
May 2014	26.00	16.00
June 2014	24.90	19.15
July 2014	31.00	23.20
August 2014	29.00	21.00
September 2014	28.90	21.60
October 2014	28.60	22.50
November 2014	40.95	26.80
December 2014	37.70	27.55
January 2015	44.90	31.00
February 2015	41.90	36.30
March 2015	41.50	30.00

viii. Registrars and Transfer Agents

Karvy Computershare Private Limited

Karvy Selenium Tower B, Plot 31-32,
Gachibowli, Financial District,
Hyderabad – 500 032
Tel: +91-040-67162222; Fax:040-23001153;
Toll Free No: 1800-3454-001
E-mail: einward.ris@karvy.com
Website: www.karvycomputershare.com

ix. Share transfer system

The shares received for transfer in physical mode are registered and returned within a period of 15 days from the date of receipt, if the documents are clear in all respect.

The Company appointed M/s. Karvy Computershare Private Limited as the Registrar and Transfer Agents for dealing with all the activities connected with both physical and demat segments pertaining to the share transactions of the Company.

x. Distribution of Shareholding as on March 31, 2015

Category (Shares)	No. of Holders	No. of Shares	% of Total Shares
1 - 5000	5,189	19,75,465	15.79
5001 - 10000	77	5,56,556	4.45
10001 - 20000	60	8,34,287	6.67
20001 - 30000	21	5,32,598	4.26
30001 - 40000	8	2,84,977	2.28
40001 - 50000	9	4,31,980	3.45
50001 - 100000	15	10,24,852	8.19
100001 and above	15	68,71,160	54.92
Total	5,394	1,25,11,875	100%

Shareholding Pattern as on March 31, 2015:

Sl.No.		No. of Shareholders	Total Shares	% to Total
A.	Shareholding of Promoter & Promoter Group:			
	Indian			
	Individuals/HUF	11	58,24,184	46.55
	Foreign	Nil	Nil	Nil
B.	Public Shareholding:			
	Institutions			
	Foreign Institutional Investors	Nil	Nil	Nil
	Non-Institutions:			
	Bodies Corporate	125	8,06,778	6.45
	Individuals			
	Individual Shareholders holding nominal share capital up to Rs.1 Lakh	5100	23,51,767	18.80
	Individual Shareholders holding nominal share capital in excess of Rs.1 Lakh.	96	31,43,379	25.12
	Any Other (Specify) NRI/OCB	50	2,69,660	2.16
	Any Others – Clearing Members	10	11,045	0.08
	Any Others – Trust	2	1,05,062	0.84
C.	Shares held by Custodians etc.	Nil	Nil	Nil
	Total	5394	1,25,11,875	100.00

xi. Dematerialization of Shares:

The Company's shares are compulsorily traded in dematerialized form and are available for trading on both the depositories, viz. National Securities Depository Ltd., (NSDL) and Central Depository Services (India) Ltd., (CDSL).

Details of shares held in physical and dematerialized form as on 31st March, 2015:

Mode of Holding	No. of Shares	% age
NSDL	10532142	84.18
CDSL	1846430	14.76
Physical	133303	1.06
Total	12511875	100.00

98.94% of Company's paid-up Equity Share Capital has been dematerialised up to 31st March, 2015. The Company's shares are liquid and actively traded.

xii. Outstanding of unclaimed dividend amounts:

In terms of Sections 205A and 205C of the Companies Act, 1956, the Company is required to transfer the amount of dividend remaining unclaimed for a period of seven years from the date of transfer to the unclaimed dividend account to the Investor Education and Protection Fund (IEPF). Members are requested to ensure that they claim the dividend(s) from the Company before transfer to the Investor Education and Protection Fund.

In compliance with Sections 205A (6) & 205A(7) of the Companies Act,1956, the Company transferred on 11-11-2014 the unclaimed dividend amounting to Rs. 4,35,634 pertaining to the year 2006-2007 to the Investor Education and Protection Fund. Members are further requested to note that after completion of 7 years, no claims shall lie against the said Fund or Company for the amounts of dividend so transferred, nor shall any payment be made in respect of such claims.

Details of outstanding amount of unclaimed dividend lying in Unpaid Dividend Account year wise as on 31.03.2015:

Financial year ended	Date of declaration of Dividend	Amount remaining Unclaimed as on 31.03.2015 (in Rs.)	Last date for claiming unpaid dividend amount (before)	Last date for transfer to IEPF
31.03.2008	29/09/2008	2,48,490	04/11/2015	03/12/2015
31.03.2009	19/09/2009	2,48,134	25/10/2016	24/11/2016
31.03.2010	21/09/2010	1,98,087.50	27/10/2017	26/11/2017
31.03.2011	30/08/2011	5,12,724	06/10/2018	05/11/2018
31.03.2012	28/09/2012	3,23,994	03/11/2019	02/12/2019
31.03.2013	30/09/2013	1,31,988	05/11/2020	04/12/2020
31.03.2014	30/09/2014	1,34,549.60	05/11/2021	04/12/2021

xiii. Location of our software development center:

8-2-293/82/A/1107
 Plot No: 1107, Road No: 55,
 Jubilee Hills, Hyderabad-500033
 Tel.Nos.040-23540446, 040 – 23547447/8,
 Fax : 040 - 23547449
 E-Mail: info@terasoftware.in
 Url: www.terasoftware.com

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