



## TERA SOFTWARE LIMITED

CIN: L72200TG1994PLC018391

Reg. Off: 8-2-293/82/A/1107, Plot No: 1107, Road No: 55, Jubilee Hills, Hyderabad-500033

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Notice pursuant to Section 110 of the Companies Act, 2013 read with Rule 22 of the Companies (Management and Administration) Rules, 2014.

Dear Shareholder(s)

Sub: Passing of Resolution(s) by Postal Ballot

Notice is hereby given pursuant to Section 110 and all other applicable provisions of the Companies Act, 2013 (“the Act”), read with the Companies (Management and Administration) Rules, 2014 for transacting the following special business by the members of Tera Software Limited (“the Company”) by passing resolutions through Postal Ballot:

**1. To alter the Main Objects Clause of the Memorandum of Association of the Company and if thought fit, to pass with or without modification(s), the following resolution as Special Resolution.**

“**RESOLVED THAT** in accordance with the provisions of Section 13 and all other applicable provisions of Companies Act, 2013 and the Companies (Incorporation) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and subject to such approvals as may be necessary or required, Clause III.A of the Memorandum of Association of the Company relating to its Objects be and is hereby altered by substituting the existing sub clause (3) after existing sub clause (2) in Clause III (A) with the following:

*“To carry on the business of providing solutions and services related to Internet, digital Media and E-commerce, including to design, develop, maintain, operate, own, establish, install, host, provide, create, facilitate, supply, sale, purchase, licence or otherwise deal in networks, Internet portals, Internet networks, Media Portals, Internet solutions, Internet gateways, Internet service provider, television channels, television signals, theatres / Multiplex enabled services and E-commerce service provider, E-commerce solutions, E-commerce platforms, E-commerce education, E-commerce technologies and E-business solutions and to establish laboratory facilities for the company’s own purpose and other use.”*

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and are hereby authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

**2. To consider adoption of newly substituted Articles of Association of the Company containing regulations in line with the Companies Act, 2013, and if thought fit, to pass with or without modification(s), the following resolution as Special Resolution.**

“**RESOLVED THAT** pursuant to the provisions of Section 14 and all other applicable provisions of the Companies Act, 2013 read with Companies (Incorporation) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), the draft regulations as contained in the Articles of Association be and are hereby approved and adopted in substitution, and to the entire exclusion, of the regulations contained in the existing Articles of Association of the Company.

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

**3. To alter the Registered Office Clause of the Memorandum of Association of the Company and if thought fit, to pass with or without modification(s), the following resolution as Special Resolution.**

“**RESOLVED THAT** in accordance with the provisions of Section 13 and all other applicable provisions of Companies Act, 2013 and the Companies (Incorporation) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and subject to such approvals as may be necessary or required, Clause II of the Memorandum of Association of the Company relating to Registered Office be and is hereby altered by substituting the existing clause II with the following:

*“The Registered Office of the Company will be situated in the state of Telangana”.*

**RESOLVED FURTHER THAT** for the purpose of giving full effect to this resolution, the Board be and is hereby authorised on behalf of the Company to do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary, expedient, proper or desirable and to settle all questions, difficulties or doubts that may arise in this regard at any stage without requiring the Board to secure any further consent or approval of the Members of the Company to the end and intent that they shall be deemed to have given their approval thereto expressly by the authority of this resolution.

**4. Amendment(s) to Memorandum of Association of the Company and if thought fit, to pass with or without modification(s), the following resolution as Special Resolution.**

**“RESOLVED THAT** in accordance with the provisions of Section 13 and all other applicable provisions of Companies Act, 2013 and the Companies (Incorporation) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and subject to such approvals as may be necessary or required, Clause III (C) of the Memorandum of Association of the Company relating to Other Objects be and is hereby merged with Clause III (B) Incidental Objects and consecutively numbered.

**RESOLVED FURTHER THAT** for the purpose of giving full effect to this resolution, the Board of Directors be and is hereby authorised on behalf of the Company to do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary, expedient, proper or desirable and to settle all questions, difficulties or doubts that may arise in this regard at any stage without requiring the Board to secure any further consent or approval of the Members of the Company to the end and intent that they shall be deemed to have given their approval thereto expressly by the authority of this resolution.

**By Order of the Board of Directors**

Date: 06.04.2015  
Place: Hyderabad

Sd/-  
(T. Gopichand)  
**Vice Chairman and Managing Director**

**Notes:**

1. The Explanatory Statement for the proposed Special Resolutions under Item No. 1 to 4 pursuant to Section 102 of the Companies Act, 2013 read with Section 110 of the Companies Act, 2013 setting out material facts are annexed herewith.
2. The Notice is being sent to all the Members, whose names appear in the Register of Members/list of Beneficial Owners as received from National Securities Depository Limited (NSDL)/Central Depository Services (India) Limited (CDSL) as on **6th April, 2015**.
3. Resolutions passed by the members through postal ballot including voting by electronic means shall be deemed to have been passed as if they have been passed at a general meeting of the members convened in that behalf.
4. Pursuant to the provisions of Section 108 of the Act read with the Companies (Management and Administration) Rules, 2014 and in terms of Clause 35B of the Listing Agreement, the Company has provided facility to members to exercise their votes through electronic means and have engaged the services of Karvy Computershare Private Limited (“Karvy”) as the Authorised Agency to provide e-voting facility. The instructions for e-voting are as under.
  - A) In case a Member receives an email from Karvy Computershare Private Limited [for members whose email IDs are registered with the Depository Participants(s)]:
    - i. Open email and open PDF file. The said PDF file contains your user ID and password/PIN for e-voting. Please note that the password is an initial password.
    - ii. Launch internet browser by typing the following URL: <https://evoting.karvy.com>
    - iii. Click on Shareholder – Login
    - iv. Put user ID and password as initial password/ PIN noted in step (i) above. Click Login.
    - v. Password change menu appears. Change the password/PIN with new password of your choice. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
    - vi. Home page of e-voting opens. Click on e-Voting: Active Voting Cycles.
    - vii. Select “EVENT” of Tera Software Limited.
    - viii. Now you are ready for e-voting as Cast Vote page opens.
    - ix. Cast your vote by selecting appropriate option and click on “Submit” and also “Confirm” when prompted.
    - x. Upon confirmation, the message “Vote cast successfully” will be displayed.
    - xi. Once you have voted on the resolution, you will not be allowed to modify your vote.
    - xii. Institutional & Corporate Shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail to [csvenkatreddy@gmail.com](mailto:csvenkatreddy@gmail.com) with a copy marked to [einward.ris@karvy.com](mailto:einward.ris@karvy.com).
  - B) In case a Member receives physical copy of the Notice of Postal Ballot [for members whose email IDs are not registered with the Depository Participants(s) or requesting physical copy] :
    - i. Initial password is provided as below in the Postal ballot form:

<b>EVEN ( E- Voting Event Number)</b>	<b>User ID</b>	<b>Password / PIN</b>

- ii. Please follow all steps from Sl. No. (ii) to Sl. No. (xii) above, to cast vote.
- II. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the Downloads section of Karvy Computershare Private Limited
- III. If you are already registered with Karvy Computershare Private Limited for e-voting then you can use your existing user ID and password/PIN for casting your vote.
- IV. You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).
5. **The e-voting ends on 12<sup>th</sup> May, 2015 (5:00 p.m).** During this period members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 6<sup>th</sup> April, 2015, may cast their vote electronically in the manner and process set out herein above. The e-voting module shall be disabled by 12<sup>th</sup> May, 2015 (5:00 pm) for voting thereafter. Once the vote on a resolution is cast by the member, the shareholder shall not be allowed to change it subsequently. Further, the Members who have cast their vote electronically shall

not vote by way of postal ballot form.

6. The voting rights of members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date 6<sup>th</sup> April, 2015.
7. The Board of Directors has appointed Mr.K.CH. Venkat Reddy, Practicing Company Secretary as a Scrutinizer to conduct the postal ballot voting process in a fair and transparent manner.
8. The Scrutinizer will submit his report to the Vice Chairman & Managing Director after the completion of scrutiny, and the results of voting by postal ballot (including voting through electronic means) will be declared by placing it along with the Scrutinizer's report on the Company's website [www.terasoftware.com](http://www.terasoftware.com) and communicated to the Stock Exchanges.
9. Shareholders who have registered their e-mail IDs with their Depository Participants are being sent Notice of Postal Ballot by e-mail and Shareholders who have not registered their e-mail id will receive Notice of Postal Ballot along with Postal Ballot Form.
10. Kindly note that the Shareholders can opt only one mode of voting, i.e., either by Physical Ballot or e-voting. If members are opting for e-voting, then do not vote by Physical Ballot also and vice versa. However, in case Shareholders cast their vote by Physical Ballot and e-voting, then voting done through valid Physical Ballot shall prevail and voting done by e-voting will be treated as invalid.
11. **Shareholders exercising their vote by physical Postal Ballot are requested to carefully read the instructions printed in the Postal Ballot Form and return the Form duly completed and signed in the enclosed self addressed business reply envelope to the Scrutinizer so as to reach the Scrutinizer on or before the close of working hours on 12<sup>th</sup> May, 2015 (5.00 pm).**  
**Please note that all postal ballot forms received after 12<sup>th</sup> May, 2015 (5.00 pm) will be strictly treated as if the reply from the member has not been received.**
12. Shareholders who have received Postal Ballot Notice by e-mail and who wish to vote through Physical Postal Ballot Form can download Postal Ballot Form sent along with the email or download from the link <https://evoting.karvy.com> or from the website of the Company [www.terasoftware.com](http://www.terasoftware.com) or seek duplicate postal Ballot Form from Karvy Computershare Private Limited fill in the details and send the same to the Scrutinizer.
13. In case, shares are jointly held, the postal ballot form should be completed and signed (as per the specimen signature registered with the company) by the first named Member and in his/her absence, by the next named Member.
14. In case of shares held by companies, trusts, societies, etc. the duly completed Postal Ballot Form should be accompanied by a certified copy of the Board Resolution/ Authority letter together with attested specimen signature(s) of the duly authorized signatory/ ies, giving requisite authority to the person voting on the Postal Ballot Form.
15. A tick (√) mark should be placed in the relevant box signifying assent / dissent for the resolution, as the case may be, before mailing the Postal Ballot Form.
16. The vote in this Postal Ballot cannot be exercised through proxy.
17. The Scrutinizer's decision on the validity or otherwise of the Postal Ballot / e-voting will be final.
18. Relevant documents referred to in the Notice and the Statement are available for inspection by the members at Company's registered office during business hours on all its working days from the date of dispatch of the Notice till 12th May, 2015.

#### **EXPLANATORY STATEMENT IN RESPECT OF THE SPECIAL BUSINESS PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013**

##### **Item No. 1:**

The Company is pursuing growth opportunities in various fields of business and always considers new business proposals which have good future prospects and potentials to increase the shareholders' return.

To facilitate such initiatives, alteration is proposed by way of substitution of the existing sub clause (3) after existing sub clause (2) in Clause III (A) of the Main Objects Clause in the Memorandum of Association as set out in the resolution at Item No. 1 of the Notice. This new Object may conveniently and advantageously be combined with the existing businesses of the Company.

Accordingly, the Board of Directors proposes to alter Clause III.A of the Objects clause of the Memorandum of Association of the Company as set out in the resolution at Item No. 1.

The aforesaid alteration, if approved by the shareholders shall be registered by the Registrar of Companies, Hyderabad as per the provisions of the Act with such modifications as be advised by him.

The Directors recommend the resolution(s) set out at item No.1 for your approval as Special Resolution (s) through postal ballot.

None of the Directors, Key Managerial Personnel or their relatives are in any way concerned or interested, financially or otherwise in this resolution.

**Item No. 2:**

The existing Articles of Association (“AoA”) are mostly based on the Companies Act, 1956 and several regulations in the existing AoA contain references to specific sections of the Companies Act, 1956 and some regulations in the existing AoA are no longer in conformity with the Companies Act, 2013..

With the coming into force of the Act several regulations of the existing AoA of the Company require alteration or deletions in several articles. Given this position, it is considered expedient to wholly replace the existing AoA by a new set of Articles.

Certain provisions of existing Articles of Association have been simplified by providing reference to relevant Sections to the Companies Act, 2013 and the Rules framed thereunder, to avoid repetition in its entirety.

The new AoA to be substituted in place of the existing AoA are based on Table ‘F’ of the Act which sets out the model articles of association for a company limited by shares. Shareholder’s attention is invited to certain salient provisions in the new draft AoA of the Company viz:

- (a) Company’s lien now extends also to bonuses declared from time to time in respect of shares over which lien exists;
- (b) the nominee(s) of a deceased sole member are recognized as having title to the deceased’s interest in the shares;
- (c) new provisions regarding application of funds from reserve accounts when amounts in reserve accounts are to be capitalized;
- (d) new provisions relating to appointment of chief executive officer and chief financial officer, in addition to manager and company secretary;
- (e) existing articles have been streamlined and aligned with the Act;
- (f) provisions of the existing AoA which are already part of statute in the Act have not been reproduced in the new draft AoA as they would only lead to duplication – their non-inclusion makes the new AoA crisp, concise and clear and aids ease of reading and understanding.

The proposed new draft AoA is being uploaded on the Company’s website [www.terasoftware.com](http://www.terasoftware.com) for perusal by the shareholders.

None of the Directors, Key Managerial Personnel or their relatives are in any way concerned or interested, financially or otherwise in this resolution.

The Directors recommend the resolution(s) set out at item No.2 for your approval as Special Resolution (s) through postal ballot.

**Item No. 3:**

The members may note that after bifurcation of State of Andhra Pradesh, the registered office of the company falls in the State of Telangana.

Accordingly, the Board of Directors proposes to alter Clause II of the Memorandum of Association of the Company as set out in the resolution at Item No. 3.

The aforesaid alteration, if approved by the shareholders shall be registered by the Registrar of Companies, Hyderabad as per the provisions of the Act with such modifications as be advised by him.

The Directors recommend the resolution(s) set out at item No.3 for your approval as Special Resolution (s) through postal ballot.

None of the Directors, Key Managerial Personnel or their relatives are in any way concerned or interested, financially or otherwise in this resolution.

**Item No. 4:**

As per the provisions of section 4 of the Companies Act, 2013, read with the Companies (Incorporation) Rules, 2014 the Memorandum of Association of the Company will no longer contain Other Objects Clause. However, the existing Memorandum of Association of the Company contains Other Objects Clause.

In order to comply with Section 4 of the Act, it is proposed to alter Memorandum of Association of the Company by merging the Clause III (C) Other Objects with Clause III (B) Incidental Objects of the Memorandum of Association.

The aforesaid alteration, if approved by the shareholders shall be registered by the Registrar of Companies, Hyderabad as per the provisions of the Act with such modifications as be advised by him.

The Directors recommend the resolution(s) set out at item No.4 for your approval as Special Resolution (s) through postal ballot.

None of the Directors, Key Managerial Personnel or their relatives are in any way concerned or interested, financially or otherwise in this resolution.

**By Order of the Board of Directors**

Sd/-  
(T. Gopichand)  
**Vice Chairman and Managing Director**

Date: 06.04.2015  
Place: Hyderabad