



Cranes Software International Limited

Correspondence Address:

#82, Presidency Building, 3rd & 4th Floor,
St. Marks Road, Bengaluru - 560 001. Karnataka

Ph: +91 80 6764 4800/4848

Fax: +91 80 6764 4888

Email: training@cranessoftware.com

15th September, 2020

To,
The Manager
Department of Corporate Services
Bombay Stock Exchange Ltd.,
P J Towers, Dalal Street
Mumbai – 400 001

Dear Sir,

Sub: Meeting of the Board of Directors - Outcome
Ref: Company No. 512093

Further to our letter dt. 8th September, 2020 informing you of the Board of Directors Meeting, we wish to inform you that at the meeting of the Board of Directors held today (15th September, 2020), the Board has:

- Approved and taken on record the un-audited financial results for the quarter and period ended 30th June, 2020. The results are enclosed herewith for your information / records.
- The Limited Review Report is also enclosed for your reference.

Thanking you,

Yours faithfully,
For Cranes Software International Ltd.

Authorised Signatory
Name: Mueed Khader
Designation: Director



Encl: as above

CRANES SOFTWARE INTERNATIONAL LIMITED

Regd Office : # 82, Presidency Building, 3rd & 4th Floor, St.Marks Road, BANGALORE - 560 001

Ph.080 67644848 Fax:080 67644888 Email:info@cranesoftware.com Website: www.cranesoftware.com

CIN : L05190KA1984PLC031621

Unaudited Financial Result for the quarter ended 30th June, 2020

PART-1

Sl. No	Particulars	Standalone				Consolidated				(Rs.In Lakhs)
		3 Months Ended		Year Ended		3 Months Ended		Year Ended		
		30.06.2020	31.03.2020	30.06.2019	31.03.2020	30.06.2020	31.03.2020	30.06.2019	31.03.2020	
		Unaudited	Audited	Unaudited	Audited	Unaudited	Audited	Unaudited	Audited	
1	Income from Operations									
	Net Sales/Income from Operations	13.91	52.61	68.25	379.79	549.27	562.68	519.85	2,500.23	
	Other Income	19.93	719.14	92.39	1,054.38	24.84	713.21	95.25	1,058.44	
	Total Income	33.84	771.75	160.64	1,434.17	574.11	1,275.89	615.10	3,558.67	
2	Expenses									
	(a) Cost of materials consumed	-	-	-	-	-	2.08	7.09	126.69	
	(b) Purchase of Stock-in-Trade									
	(c) Changes in inventories of finished goods and work-in-progress	-	-	-	-	-	-	-	-	
	(d) Employee benefit expense	43.93	93.45	73.68	324.55	400.90	550.65	455.90	1,806.65	
	(e) Finance costs	0.03	0.77	-	0.77	0.07	32.63	-	32.63	
	(f) Depreciation and amortization expense	2.21	1.70	0.81	6.50	321.83	337.26	347.49	1,315.80	
	(g) Other expenses	24.84	843.05	39.15	1,655.68	124.07	260.12	134.72	784.77	
	Total Expenses	71.01	938.97	113.64	1,987.49	846.87	1,182.74	945.20	4,066.53	
3	Profit/(Loss) from Ordinary activities before exceptional items & taxes (1-2)	(37.17)	(167.22)	47.00	(553.32)	(272.76)	93.15	(330.10)	(507.86)	
4	Exceptional Items	-	-	-	-	-	-	-	-	
5	Profit/(Loss) from ordinary activities before tax (3-4)	(37.17)	(167.22)	47.00	(553.32)	(272.76)	93.15	(330.10)	(507.86)	
6	Tax expense/(credit)									
	(a) Current Tax	-	(0.59)	-	(0.59)	18.04	9.94	-	62.58	
	(b) Deferred Tax	(8.51)	2,971.37	12.13	3,097.65	(8.51)	2,829.94	12.13	2,968.39	
	Total tax expenses / (credit)	(8.51)	2,970.79	12.13	3,097.06	9.53	2,839.89	12.13	3,030.97	
7	Net Profit/(Loss) from ordinary activities after tax (5-6)	(28.66)	(3,138.01)	34.87	(3,650.38)	(282.29)	(2,746.74)	(342.23)	(3,538.83)	
8	Extraordinary Items									
9	Net Profit/(Loss) for the period (7-8)	(28.66)	(3,138.01)	34.87	(3,650.38)	(282.29)	(2,746.74)	(342.23)	(3,538.83)	
10	Minority Interest									
11	Net Profit/(Loss) after Taxes, minority interest and share of profit/Loss of associates(9+10)	(28.66)	(3,138.01)	34.87	(3,650.38)	(282.29)	(2,746.74)	(342.23)	(3,538.83)	
12	Total Comprehensive Income for the period [Net of tax]									
13	Paid-up equity share capital (Face Value of Rs.2/-)	2355.34	2355.34	2355.34	2355.34	2355.34	2355.34	2355.34	2355.34	
14	Reserve excluding Revaluation Reserves as per balance sheet of previous accounting year				(64,541.33)				(73,489.96)	
15	Earnings Per Share (Rs) (not annualised)									
	i) Basic	(0.02)	(2.66)	0.03	(3.10)	(0.24)	(2.33)	(0.29)	(3.00)	
	ii) Diluted	(0.02)	(2.66)	0.03	(3.10)	(0.24)	(2.33)	(0.29)	(3.00)	



CRANES SOFTWARE INTERNATIONAL LIMITED

PART-2

SL No	PARTICULARS	3 Months Ended			Year ended
		30.06.2020	31.03.2020	30.06.2019	31.03.2020
A	PARTICULARS OF SHAREHOLDING				
1	Public Shareholding				
	- Number of shares	110,247,850	110,247,850	110,247,850	110,247,850
	- Percentage of shareholding	93.62%	93.62%	93.62%	93.62%
2	Promoters and Promoter Group Shareholding				
	(a) Pledged / Encumbered				
	- Number of shares	1,000,000	1,000,000	1,000,000	1,000,000
	- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	13.30%	13.30%	13.30%	13.30%
	- Percentage of shares (as a % of the total share capital of the company)	0.85%	0.85%	0.85%	0.85%
	(b) Non-encumbered				
	- Number of shares	6,519,000	6,519,000	6,519,000	6,519,000
	- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	86.70%	86.70%	86.70%	86.70%
	- Percentage of shares (as a % of the total share capital of the company)	5.54%	5.54%	5.54%	5.54%

B INVESTOR COMPLAINTS FOR 3 MONTHS ENDED 30TH JUNE 2020				
	Pending at the beginning of the Quarter	Received during the Quarter	Disposed of during the Quarter	Remaining unresolved at the end of the Quarter
	-	-	-	-



Notes

1. The above quarter ended result for the period ended June 30, 2020 as reviewed and recommended by the Audit committee of the Board, has been approved by the Board of Directors at its meeting held on September 15, 2020.
2. The statement has been prepared in accordance with the Companies (Indian Accounting Standards) Rules, 2015 (Ind AS) prescribed under section 133 of the companies Act, 2013 and other recognized accounting practices and policies to the extent applicable.
3. The business of the Company falls under a single primary segment i.e., IT/ ITES in accordance with Ind AS 108 'Operating Segments" and hence no segment reporting is applicable.
4. The Company has not provided interest in books of accounts on FCCB Liability, Loan from UPS Capital & Banks for quarter ended June 30, 2020.
5. The Company has not restated for FCCB liability, Loan from UPS Capital and interest thereon for the quarter ended June 30, 2020.
6. On a standalone basis, the Company performed well in the months ahead of the pandemic, particularly as the Varsity division reinforced its market position in the training and education market. However, we have experienced serious business impact and disruptions from the pandemic downturn across the entire industrial, manufacturing and services spectrum. Revenues and operations have been drastically reduced because of shut-downs, travel restrictions, and highly curtailed customers' and users' demand. We are planning for a post-Covid rebound based on i) leveraging the scope and reach of legacy products, services and training strengths to address expected needs of customers, students, corporate and universities, ii) continuing to develop training programs in cutting-edge technologies such as Cloud Computing, Analytics and AI, iii) expanding our expertise, programs and collaborations in the rapidly evolving on-line training sector, and iv) productive licensing arrangements which leverage our products, services and extensive customer relationships and market reach.
7. The Company has entered in a exclusive licensing arrangement with US-based Inpixon to distribute and enhance, and optionally purchase, its Systat and Sigmaplot software products. Particularly in view of Covid-19 difficulties, this supported critical payments of employee salaries and health insurance in the US, UK & Germany as well as dues for creditors and authorities, and minimized international impact. Direct revenues over the coming financial quarters may consequently be affected

for Crane Software International Limited



Place : Bangalore

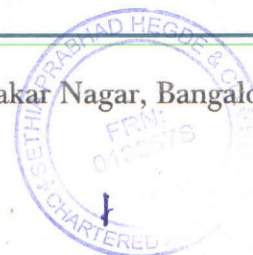
Date: 15th September 2020



**INDEPENDENT AUDITOR'S REVIEW REPORT ON REVIEW OF INTERIM STANDALONE
FINANCIAL RESULTS**

**To the Board of Directors
Cranes Software International Limited
Bengaluru**

1. We have reviewed the standalone unaudited financial results of Cranes Software International Limited (the "Company") for the quarter ended 30th June 2020, which are included in the accompanying 'Statement of Unaudited Financial Results for quarter and three months ended 30th June 2020 together with the relevant notes thereon (the "Statement")'. The Statement has been prepared by the Company pursuant to Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the "Listing Regulations, 2015") including relevant circulars issued by the SEBI from time to time. The Statement is the responsibility of the Company's management and has been approved by the Board of Directors. Further, the Management is also responsible to ensure that the Interim condensed financial information are prepared in accordance with the Companies (Indian Accounting Standards) Rules, 2015 (Ind AS) prescribed under Section 133 of the Companies Act, 2013 and other recognised accounting practices and policies.
Our responsibility is to issue a report on the Statement based on our review.
2. We conducted our review in accordance with the Standard on Review Engagements (SRE) 2410, "Review of Interim Financial Information performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
3. Based on our review conducted as above, subject to the matters specified in the 'Other Matters' and the 'Emphasis of matter' paragraphs below nothing has come to our attention that causes us to believe that the Statement has not been prepared in all material respects in accordance with Ind AS and other recognised accounting practices and policies, and has not disclosed the information required to be disclosed in terms of Regulation 33 of the Listing Regulations, 2015 including the manner in which it is to be disclosed, or that it contains any material misstatement.



4. Other Matters

- 4.1 There are undisputed statutory dues including dues on current year's transactions, on account of Provident Fund Contribution, Employee State Insurance, Income Tax, Service tax, Sales Tax, Goods and Service tax, Dividend Distribution Tax and the like, not deposited by the Company in favour of the respective statutory authorities.
- 4.2 Earnings in foreign exchanges are not realized within the periods stipulated under FEMA and permission is awaited from the statutory authorities to write off the same.
- 4.3 a) On a petition filed by the Foreign currency convertible bond holders, The Hon'ble High Court of Karnataka issued a winding up order against the company, which indicates the existence of material uncertainty that may cast significant doubt on the company's ability to continue as a going concern.
- b) The Company had received an intimation from the "Ministry of Corporate affairs" during August 2019, stating that the company has been ordered to be wound up by the Hon'ble High Court of Karnataka vide order dated 28th November 2017. Also, the company status on the MCA portal reflects as "Under Liquidation".
- c) Based on the plea submitted by the Company, the Hon'ble High Court of Karnataka had granted a stay of 8 weeks from the date of order viz 29th November 2019 for the Newspaper publication of winding up order. If no settlement is arrived between the parties within the said period, the petitioner i.e. "The Bank of New York" is at liberty to proceed with the newspaper publication. The stay granted ended on 30th January 2020 and the petitioner has not made any newspaper publication of the winding up order till date.

However, the accounts have been prepared on a going concern basis.

5. Emphasis of Matter

- 5.1 Redemption of Foreign currency convertible bond amounting to INR 29,085 lakhs (42 million Euros) to the holders of the bonds have fallen due during April 2011 and is yet to be redeemed as on the quarter ended 30th June 2020.



- 5.2 The management is in negotiation with the Foreign currency convertible bond holders for settling its dues. The management is of the view that the liability of INR 38,695 lakhs reflected in the financial statements will adequately cover its liability on settlement of dues with the Foreign currency convertible bond holders and therefore no provision for interest is provided for the quarter ended 30th June 2020. Had such interest been provided in the books in the normal course, the present loss for the quarter ended 30th June 2020 would have been higher by INR 421.34 lakhs.
- 5.3 In continuation to the point no. 5.2 above, the company has also discontinued the restatement of the Exchange fluctuation gain / loss on account of the outstanding due towards Foreign currency convertible bond and the interest due thereon, in line with the Ind AS-21 "The Effects of Changes in Foreign Exchange Rates". Had such restatement of liability been made in the books in the normal course, the present loss for the quarter ended 30th June 2020 would have been higher by INR 76.08 lakhs.
- 5.4 Loan availed by the company from 'UPS Capital Business Credit' remains unpaid and is overdue since April 2014. The management is of the view that the liability of INR 696.37 lakhs (including interest) reflected in the financial statements will adequately cover its liability on settlement of dues and therefore no provision for interest is provided for the quarter ended 30th June 2020. Had such interest been provided in the books in the normal course, the present loss for the quarter ended 30th June 2020 would have been higher by INR 11.40 lakhs.
- 5.5 In continuation to the point no. 5.4 above, the company has also discontinued the restatement of the Exchange fluctuation gain / loss on account of the outstanding due towards 'UPS Capital Business Credit' and the interest due thereon, in line with the Ind AS-21 "The Effects of Changes in Foreign Exchange Rates". Had such restatement of liability been made in the books in the normal course, the present profits for the quarter ended 30th June 2020 would have been higher by INR 0.81 lakhs.




5.6 Term loans and working capital loans availed by the company from various banks amounting to INR 57,631.91 lakhs, remain unpaid and are overdue since 2009. The lenders have filed cases before the Debt Recovery Tribunal (DRT) / Hon'ble Courts, etc for recovery of dues. These proceedings are in various stages of disposal before the "DRT" and respective Hon'ble Courts. Winding up petitions has been filed by Bank of India against the company, before the Hon'ble High Court of Karnataka for non-payment of principal and the accrued interest thereon.

5.7 The banks which had extended financial facilities to the company have treated the outstanding from the company as "Non-Performing Assets" since 2009. In order to achieve the desired congruency on this issue, the Company has also not provided for interest amounting to INR 2,683.13 lakhs on such outstanding amounts for the quarter ended 30th June 2020, due to various banks, though the confirmation of such dues were not made available to us from the respective banks/financial institutions. Had the said interest been provided in the books in the normal course, the present loss for the quarter ended 30th June 2020 would have been higher by INR 2,683.13 lakhs.

Our conclusion is not qualified in respect of the above matter.

For Sethia Prabhada Hegde & Co.
Chartered Accountants
Firm Registration No. 013367S


Timmayya Hegde
Partner

Membership No. 226267
UDIN 20226267AAAAAV9695



Place: Bengaluru

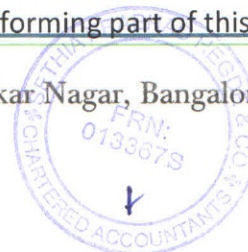
Date: September 15, 2020



INDEPENDENT AUDITOR'S REVIEW REPORT ON REVIEW OF INTERIM CONSOLIDATED FINANCIAL RESULTS

To the Board of Directors
Cranes Software International Limited

- a. We have reviewed the accompanying statement of unaudited consolidated financial results (the 'Statement') of Cranes Software International Limited (the 'Holding Company') and its subsidiaries (the Holding Company and its subsidiaries together referred to as 'the Group'), for the quarter and three months ended 30th June 2020, being submitted by the Parent pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended, including relevant circulars issued by the SEBI from time to time.
- b. This Statement, which is the responsibility of the Holding Company's 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, read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.
- c. We conducted our review of the Statement in accordance with the Standard on Review Engagements (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 Parent's personnel 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. We also performed procedures in accordance with the SEBI Circular CIR/CFD/CMD1/44/2019 dated 29 March 2019 issued by the SEBI under Regulation 33 (8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended), to the extent applicable.
- d. Based on our review conducted and procedures performed as stated in the paragraph 3 above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with recognition and measurement principles laid down in the aforesaid Indian Accounting Standard and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in accordance with the requirements 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 except for the items mentioned in the **"Emphasis of Matters"** paragraph 'e' forming part of this report.



e. Emphasis Of Matters

1. Consolidated financial statements of the company includes compiled financials prepared and provided to us by the Management of the Company of the below subsidiaries:
 - a) Systat Software Gmbh.
 - b) Systat Software Inc
 - c) Cranes Software Inc
 - d) Cranes Software International Pte Limited, Singapore
2. The consolidated unaudited financial results includes financial information of four foreign subsidiaries which reflects total revenues of INR 540.26 lakhs for the quarter ended 30th June 2020 respectively, total net loss after tax of INR 250.82 lakhs ended 30th June 2020 respectively as considered in the consolidated unaudited financial results, based on the financial results which have not been reviewed by their respective auditors.
3. Our limited review report has to be read along with the 'Emphasis of Matter' paragraph as appearing in our limited review report of even date in respect of the standalone financials of Cranes Software International Limited.

Our conclusion is not qualified in respect of the above matter.

**For Sethia Prabhad Hegde & Co.
Chartered Accountants
Firm Registration No. 013367S**



**Timmayya Hegde
Partner**

Membership No. 226267

UDIN 20226267AAAAAW9836



Place: Bengaluru

Date: September 15, 2020

Enclosure: Annexure 1

List of entities included in the Statement

**INDEPENDENT AUDITOR'S REVIEW REPORT ON REVIEW OF INTERIM CONSOLIDATED
FINANCIAL REPORTS**

Annexure 1

List of subsidiaries included in the statement

- (a) Analytix Systems Private Ltd
- (b) Caravel Info Systems Private Ltd
- (c) Cranes Varsity Private limited
- (d) Esqube Communication Solutions Private Ltd
- (e) Proland Software Private Ltd
- (f) Systat Software Asia Pacific Ltd
- (g) Tilak Auto Tech Private Limited
- (h) Cranes Software Intl. Pte Ltd
- (i) Systat Software Gmbh
- (j) Cranes Software Inc
- (k) Systat Software Inc

