



# Cranes Software International Limited

CIN: L05190KA1984PLC031621

Registered Office:

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

Ph: +91 80 6764 4800/4848

Email: [Info@cranessoftware.com](mailto:Info@cranessoftware.com)

25<sup>th</sup> October 2023

To,  
The Manager  
Department of Corporate Services  
BSE Limited,  
P J Towers, Dalal Street  
Mumbai – 400 001

Ref: Scrip Code: 512093

Dear Sir,

## **Sub: Outcome of Meeting of the Board of Directors**

Further to our letter dated 19<sup>th</sup> October 2023 informing you of the Board of Directors Meeting, we wish to inform you that at the meeting of the Board of Directors held today (25<sup>th</sup> October 2023), the Board has:

- Approved and taken on record the audited standalone and consolidated financial results for the financial year ended 31st March, 2023. The results are enclosed herewith for your records.
- The Standalone and Consolidated Auditor's Report for the financial year ended 31<sup>st</sup> March 2023 is also enclosed for your reference.
- No dividend payout has been declared for the financial year 2022-23.

Request you to kindly take the same on records.

Thanking you,

Yours faithfully,

**For Cranes Software International Ltd.**

MUEED KHADER  
Digitally signed by  
MUEED KHADER  
Date: 2023.10.25  
20:00:09 +05'30'

**Authorised Signatory**  
**Mueed Khader**

**CRANES SOFTWARE INTERNATIONAL LIMITED**

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

Ph:080 6764 4848 / 4800 Fax: 080 67644888 CIN:L05190KA1984PLC031621

Email:info@cranessoftware.com, Website:www.cranessoftware.com

**Extract of Audited Financial Results for the Quarter & Year Ended 31st March, 2023**

(Rs.In Lakhs)

Sl. No	Particulars	Standalone					Consolidated				
		Quarter Ended			Year Ended		Quarter Ended			Year Ended	
		31.03.2023	31.12.2022	31.03.2022	31.03.2023	31.03.2022	31.03.2023	31.12.2022	31.03.2022	31.03.2023	31.03.2022
		Audited	Unaudited	Audited	Audited	Audited	Audited	Unaudited	Audited	Audited	Audited
1	Total Income from Operations (Net)	8,376.82	37.13	6,496.74	18,962.99	6,538.22	9,818.15	150.57	6,640.17	20,859.56	7,134.74
2	Net Profit/(Loss) for the period (before tax and exceptional items)	2,846.54	(472.75)	4,083.55	11,475.93	2,817.32	4,644.35	(220.06)	4,436.07	14,208.87	3,093.23
3	Net Profit/(Loss) for the period before tax (after exceptional items)	2,846.54	(472.75)	4,083.55	11,475.93	2,817.32	3,504.36	(199.83)	4,436.07	13,068.87	3,093.23
4	Net Profit/(Loss) for the period after tax (after exceptional items)	2,846.53	(17,691.96)	(566.04)	(8,758.75)	(1,533.77)	916.47	(17,419.10)	(457.48)	(9,754.39)	(1,499.84)
5	Total Comprehensive Income for the period [Comprising Profit/(Loss) for the period (after tax) and other Comprehensive Income (after tax)]	-	-	-	-	-	-	-	-	-	-
6	Equity Share Capital	2355.34	2355.34	2355.34	2355.34	2355.34	2355.34	2355.34	2355.34	2355.34	2355.34
7	Reserve (excluding Revaluation Reserves) as per balance sheet of previous accounting year	-	-	-	(79,672.65)	(70,913.89)	-	-	-	(90,686.77)	(78,750.70)
8	Earnings Per Share ( of Rs.2/- each)										
	i) Basic	2.42	(15.02)	(0.48)	(7.44)	(1.30)	0.78	(14.79)	(0.39)	(8.28)	(1.27)
	ii)Diluted	2.42	(15.02)	(0.48)	(7.44)	(1.30)	0.78	(14.79)	(0.39)	(8.28)	(1.27)

**Notes:**

- The above is an extract of the detailed format of Audited Financial Results for the quarter & year ended March 31st, 2023 filed with the Stock Exchanges under Regulation 33 of the SEBI (Listing and Other Disclosure Requirements) Regulations 2015.
- The full format of the Audited financial results for the quarter & year ended March 31st, 2023 is available on the Stock Exchange websites ([www.bseindia.com](http://www.bseindia.com)) and Company's website ([www.cranessoftware.com](http://www.cranessoftware.com))
- The above results have been reviewed by the Audit Committee at their meeting held on 25th Oct 2023 and approved by the Board of Directors at their meeting held on 25th Oct 2023.
- The above result are in compliance with Indian Accounting Standard (IND AS). The figures for the previous periods have been regrouped/re-arranged wherever necessary to make them comparable with those of current period.

For Cranes Software International Limited

*Mueed Khader*

Mueed Khader  
Director

DIN - 00106674



Place: Bangalore

Date: 25th Oct 2023

## CRANES SOFTWARE INTERNATIONAL LIMITED

Regd. Office: # 82, Presidency Building, 3rd & 4th Floor, St.Marks Road, Bangalore - 560 001  
Ph.080 6764 4848 / 4800 Fax:080 6764 4888 Email:info@cranesoftware.com Website: www.cranessoftware.com  
CIN: L05190KA1984PLC031621

### Statement of audited financial results for the quarter and year ended 31st March, 2023

PART-1

(Rs.In Lakhs)

	Particulars	Standalone					Consolidated				
		Quarter Ended			Year Ended		Quarter Ended			Year Ended	
		31.03.2023	31.12.2022	31.03.2022	31.03.2023	31.03.2022	31.03.2023	31.12.2022	31.03.2022	31.03.2023	31.03.2022
		Audited	Unaudited	Audited	Audited	Audited	Audited	Unaudited	Audited	Audited	Audited
1	<b>Income from Operations</b>										
	(a)Net Sales/Income from Operations	-	-	-	-	41.30	234.49	132.33	132.10	638.36	585.87
	(b)Other Income	8,376.82	37.13	6,496.74	18,962.99	6,496.92	9,583.66	18.24	6,508.07	20,221.21	6,548.87
	<b>Total Income</b>	<b>8,376.82</b>	<b>37.13</b>	<b>6,496.74</b>	<b>18,962.99</b>	<b>6,538.22</b>	<b>9,818.15</b>	<b>150.57</b>	<b>6,640.17</b>	<b>20,859.56</b>	<b>7,134.74</b>
2	<b>Expenses</b>										
	(a) Cost of materials consumed	-	-	-	-	-	(15.79)	50.77	28.07	44.24	97.73
	(b) Purchase of Stock-in-Trade	-	-	-	-	-	-	-	-	(0.37)	-
	(c) Changes in inventories of finished goods and work-in-progress	-	-	-	-	-	(0.37)	-	-	-	-
	(d) Employee benefit expense	18.64	14.15	24.90	55.52	102.02	83.20	172.43	51.69	601.68	761.16
	(e) Finance costs	303.62	1.79	75.20	309.21	75.20	319.55	1.79	87.29	325.14	110.44
	(f) Depreciation and amortization expense	1.36	1.37	2.01	5.44	8.76	5.69	3.78	3.07	16.20	52.75
	(g) Other expenses	5,206.66	492.57	2,311.07	7,116.90	3,534.92	4,781.51	141.86	2,033.97	5,663.79	3,019.41
	<b>Total Expenses</b>	<b>5,530.28</b>	<b>509.88</b>	<b>2,413.19</b>	<b>7,487.06</b>	<b>3,720.90</b>	<b>5,173.80</b>	<b>370.63</b>	<b>2,204.10</b>	<b>6,650.69</b>	<b>4,041.50</b>
3	Profit/(Loss) from Ordinary activities before exceptional items & taxes (1-2)	2,846.54	(472.75)	4,083.55	11,475.93	2,817.32	4,644.35	(220.06)	4,436.07	14,208.87	3,093.23
4	Exceptional Items	-	-	-	-	-	1,140.00	(20.23)	-	1,140.00	-
5	Profit/(Loss) from ordinary activities before tax (3 - 4)	2,846.54	(472.75)	4,083.55	11,475.93	2,817.32	3,504.36	(199.83)	4,436.07	13,068.87	3,093.23
6	Tax expense / (credit)										
	(a) Current Tax	-	-	-	-	-	5.28	0.01	14.68	5.91	11.77
	(b) Deferred Tax	0.00	17,219.21	4,649.60	(20,234.69)	4,351.08	(2,582.61)	17,219.26	4,878.87	(22,817.35)	4,581.30
	<b>Total tax expenses / (credit)</b>	<b>0.00</b>	<b>17,219.21</b>	<b>4,649.60</b>	<b>(20,234.69)</b>	<b>4,351.08</b>	<b>(2,587.89)</b>	<b>17,219.27</b>	<b>4,893.55</b>	<b>(22,823.26)</b>	<b>4,593.07</b>
7	Net Profit/(Loss) from ordinary activities after tax (5-6)	2,846.53	(17,691.96)	(566.04)	(8,758.75)	(1,533.77)	916.47	(17,419.10)	(457.48)	(9,754.39)	(1,499.84)
8	Extraordinary Items	-	-	-	-	-	-	-	-	-	-
9	Net Profit/(Loss) for the period (7-8)	2,846.53	(17,691.96)	(566.04)	(8,758.75)	(1,533.77)	916.47	(17,419.10)	(457.48)	(9,754.39)	(1,499.84)
10	Minority Interest	-	-	-	-	-	-	-	-	-	-
11	Net Profit/(Loss) after Taxes, minority interest and share of profit/Loss of associates(9+10)	2,846.53	(17,691.96)	(566.04)	(8,758.75)	(1,533.77)	916.47	(17,419.10)	(457.48)	(9,754.39)	(1,499.84)
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	2355.34	2355.34
14	Reserve excluding Revaluation Reserves as per balance sheet of previous accounting year	-	-	-	(79,672.65)	(70,913.89)	-	-	-	(90,686.77)	(78,750.70)
15	Earnings Per Share										
	i) Basic	2.42	(15.02)	(0.48)	(7.44)	(1.30)	0.78	(14.79)	(0.39)	(8.28)	(1.27)
	ii)Diluted	2.42	(15.02)	(0.48)	(7.44)	(1.30)	0.78	(14.79)	(0.39)	(8.28)	(1.27)



**CRANES SOFTWARE INTERNATIONAL LIMITED**

PART-2

SL No	PARTICULARS	3 Months Ended			Year ended	
		31.03.2023	31.12.2022	31.03.2022	31.03.2023	31.03.2022
<b>A</b>	<b>PARTICULARS OF SHAREHOLDING</b>					
1	Public Shareholding					
	- Number of shares	11,02,47,850	11,02,47,850	11,02,47,850	11,02,47,850	11,02,47,850
	- Percentage of shareholding	93.62%	93.62%	93.62%	93.62%	93.62%
2	Promoters and Promoter Group Shareholding					
	(a) Pledged / Encumbered					
	- Number of shares	10,00,000	10,00,000	10,00,000	10,00,000	10,00,000
	- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	13.30%	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%	0.85%
	(b) Non-encumbered					
	- Number of shares	65,19,000	65,19,000	65,19,000	65,19,000	65,19,000
	- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	86.70%	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%	5.54%

B INVESTOR COMPLAINTS FOR 3 MONTHS ENDED 31ST MARCH 2023				
	Pending at the beginning of the Quarter	Received during the Quarter	Disposed of during the Quarter	Remaining unresolved at the end of the Quarter
	-	-	-	-



# Cranes Software International Limited

Audited Balance Sheet as at 31st March, 2023

(Rs in Lakhs)

Particulars	Standalone		Consolidated	
	As At 31.03.2023	As At 31.03.2022	As At 31.03.2023	As At 31.03.2022
<b>I. ASSETS</b>				
<b>1 Non-current assets</b>				
Property, plant and equipment	14.11	19.55	67.48	67.98
Intangible assets	0.00	0.00	0.01	2,137.63
Capital work in progress	-	-	-	-
Deferred Tax Asset (Net)	-	20,234.69	33.47	24,336.20
Financial Assets				
Investments	3,215.88	8,010.18	0.00	17.87
Other non-current assets	907.71	1,240.80	5.60	196.25
<b>Non-current assets</b>	<b>4,137.69</b>	<b>29,505.21</b>	<b>106.56</b>	<b>26,755.92</b>
<b>2 Current assets</b>				
Inventories	-	-	0.37	-
Financial Assets				
Trade receivables	6,512.77	8,157.16	884.67	769.60
Cash and cash equivalents	3.80	7.90	25.87	79.01
Bank balances other than above	7.41	7.76	86.67	89.59
Other current assets	4.60	1,529.53	273.72	2,493.45
<b>Current assets</b>	<b>6,528.59</b>	<b>9,702.34</b>	<b>1,271.30</b>	<b>3,431.66</b>
<b>TOTAL ASSETS</b>	<b>10,666.28</b>	<b>39,207.54</b>	<b>1,377.86</b>	<b>30,187.59</b>
<b>II. EQUITY AND LIABILITIES</b>				
<b>1 Equity</b>				
Equity share capital	2,355.34	2,355.34	2,355.34	2,355.34
Other Equity	(79,672.65)	(70,913.89)	(90,686.77)	(78,750.70)
	<b>(77,317.31)</b>	<b>(68,558.56)</b>	<b>(88,331.44)</b>	<b>(76,395.37)</b>
<b>2 Non-Current Liabilities</b>				
Financial Liabilities				
Provisions	7.87	10.51	24.55	39.17
<b>Non-Current Liabilities</b>	<b>7.87</b>	<b>10.51</b>	<b>24.55</b>	<b>39.17</b>
<b>3 Current liabilities</b>				
Financial Liabilities				
Short term borrowings	46,048.46	57,860.82	46,048.46	57,855.82
Trade payables	71.69	156.31	910.82	1,011.67
Other current liabilities	41,707.89	49,590.52	42,577.78	47,529.18
Provisions	147.69	147.94	147.69	147.12
<b>Current liabilities</b>	<b>87,975.72</b>	<b>1,07,755.59</b>	<b>89,684.74</b>	<b>1,06,543.80</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>10,666.28</b>	<b>39,207.54</b>	<b>1,377.85</b>	<b>30,187.59</b>



**Cranes Software International Limited**

CIN : L05190KA1984PLC031621

Standalone Statement of cash flows for the year ended March 31, 2023

(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

<b>Particulars</b>	<b>For the year ended March 31, 2023</b>	<b>For the year ended March 31, 2022</b>
<b>Cash Flow From Operating Activities</b>		
Profit / (Loss) before income tax	11,475.93	2,817.32
Adjustments for		
Depreciation and amortisation expense	5.44	8.76
Bad Debts Written off	-	1,737.42
Allowances for Credit Loss	1,606.35	1,485.36
Foreign Exchange Loss/(Gain) (Net)	612.93	189.55
Interest on Bank loans written back on settlement with banks	-6,948.57	-4,092.43
Term Loan Principal written back on settlement with banks	-3,600.00	-938.81
Balance no longer payable written Back	-8,304.11	-1,417.07
Finance costs	309.21	75.20
	-4,842.83	-134.70
<b>Change in operating assets and liabilities</b>		
(Increase)/ decrease in trade receivables	38.04	1,717.57
Increase/ (decrease) in Other non-current assets	333.09	-1,709.49
(Increase)/ decrease in Other current assets	1,524.93	-1,120.05
Increase/ (decrease) in provisions and other liabilities	-194.33	-3,510.50
Increase/ (decrease) in Borrowings	-11,812.36	-
Increase/ (decrease) in trade payables	-84.62	-198.60
<b>Cash generated from operations</b>	-15,038.09	-4,955.77
Less : Income taxes paid (net of refunds)	-	-4.03
<b>Net cash from operating activities (A)</b>	-15,038.09	-4,959.80
<b>Cash Flows From Investing Activities</b>		
Purchase of PPE (including changes in CWIP)	-	-
Impairment of Assets	-	-
Proceeds from sale of Intangible Assets	-	-
(Purchase)/ disposal proceeds of Investments	4,794.30	-
Interest income	-	-
<b>Net cash used in investing activities (B)</b>	4,794.30	-
<b>Cash Flows From Financing Activities</b>		
Finance costs	-309.21	-75.20
Interest on Bank loans written back on settlement with banks	6,948.57	4,092.43
Term Loan Principal written back on settlement with banks	3,600.00	938.81
<b>Net cash from/ (used in) financing activities (C)</b>	10,239.36	4,956.03
<b>Net decrease in cash and cash equivalents (A+B+C)</b>	-4.44	-3.77
Cash and cash equivalents at the beginning of the financial year	15.65	19.42
Cash and cash equivalents at end of the year	11.21	15.65
<b>Notes:</b>		
<b>2. Components of cash and cash equivalents</b>		
Balances with banks		
- in current accounts	7.41	7.76
Others	3.80	7.87
Cash on hand	-	0.02
	11.21	15.65



**Cranes Software International Limited**

CIN : L05190KA1984PLC031621

Consolidated Statement of cash flows for the year ended March 31, 2023

(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

Particulars	For the year ended	
	March 31, 2023	March 31, 2022
<b>Cash Flow From Operating Activities</b>		
Profit before income tax	13,068.87	3,093.24
Adjustments for		
Depreciation and amortisation expense	16.20	52.75
Bad Debts Writteroff	379.89	24.92
Foreign Exchange (Loss)/Gain (Net)	477.89	167.63
Loan Principal Writeback	(940.09)	(913.89)
Interest on Bank loans written back	(3,600.00)	(4,114.98)
Balance no longer payable written Back	(8,043.69)	(1,442.20)
Exceptional item	1,140.00	
Interest received	-	
Finance costs	325.14	110.44
	2,824.21	(3,022.08)
<b>Change in operating assets and liabilities</b>		
(Increase)/ decrease in inventories		
(Increase)/ decrease in trade receivables	(272.68)	4,704.86
(Increase)/ decrease in Other assets	2,029.09	(2,407.43)
Increase/ (decrease) in Current liabilities	(4,950.84)	(5,466.27)
Increase/ (decrease) in trade payables	(100.85)	(299.74)
<b>Cash generated from operations</b>	(471.07)	(6,490.67)
Less : Income taxes paid (net of refunds)	(5.91)	(11.77)
<b>Net cash from operating activities (A)</b>	(476.98)	(6,502.44)
<b>Cash Flows From Investing Activities</b>		
Purchase of PPE (including changes in CWIP)	(15.72)	-
Net cash used in investing activities (B)	(15.72)	-
<b>Cash Flows From Financing Activities</b>		
Interest on borrowed funds	(325.14)	(110.44)
Borrowings/repayments		
Loan Principal Writeback	940.09	913.89
Interest on Bank loans written back	3,600.00	4,114.98
Balance no longer payable written back	8,043.69	1,442.20
Reclassification of Borrowings	(11,807.37)	-
Long term Provisions	(14.63)	(7.45)
<b>Net cash from/ (used in) financing activities (C)</b>	436.63	6,353.18
<b>Net decrease in cash and cash equivalents (A+B+C)</b>	(56.06)	(149.25)
Cash and cash equivalents at the beginning of the financial year	168.60	317.85
Cash and cash equivalents at end of the year	112.54	168.60
Notes:		
1. The above cash flow statement has been prepared under indirect method prescribed in Ind AS 7 "Cash Flow Statements".		
2. Components of cash and cash equivalents		
Balances with banks		
- in current accounts	16.42	78.97
- in deposit accounts	-	-
Others	86.67	89.59
Cash on hand	9.46	0.04
	112.54	168.60



## Notes

1. The above result is for the quarter ended 31<sup>st</sup> March, 2023, as reviewed and recommended by the Audit Committee of the Board, has been approved by the Board of Directors at its meeting held on October 25<sup>th</sup>, 2023.
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 the quarter ended March 31, 2023.
5. The Company has not restated for FCCB liability, Loan from UPS Capital, and interest thereon for the quarter ended March 31, 2023.
6. As required by Ind AS 12, in the absence of probable taxable profit, the company has decided to derecognise the deferred tax asset by INR 20,234.69 lakhs.
7. Other expenses include following for the year
  - a) Exchange fluctuation loss of Rs. 612.93 Lakhs,
  - b) Sundry Balance written off Rs 379.87 Lakhs,
  - c) Provision for bad and doubtful debts for Rs.1606.35 Lakhs
  - d) Provision for investment for 4545.03 Lakhs
8. Other Income includes following for the year
  - a) Sundry Balance written back Rs 8808.36 Lakhs,
  - b) Interest & Principal written back of Loan Rs 10548.57 Lakhs.

Place: Bangalore  
Date: 25<sup>th</sup> October 2023

for Cranes Software International Limited

  
**Mueed Khader**  
Director  
DIN - 00106674





Partners :  
Sohan Chaturvedi FCA  
Chaturvedi V N FCA  
Noshir B Captain FCA  
Rajiv Chauhan ACA  
Neha Chauhan ACA  
Shristi Chaturvedi ACA  
Prakash Mistry FCA



# Chaturvedi Sohan & Co.

## Chartered Accountants

FRN - 118424W

### Independent Auditor's Report on Standalone Annual Financial Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Requirements, 2015

To the Board of Directors of Cranes Software International Limited

#### Qualified Opinion

We have audited the standalone financial results of **Cranes Software International Limited** for the year ended 31<sup>st</sup> March 2023, 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") including relevant circulars issued by SEBI from time to time.

In our opinion and to the best of the information and according to the explanation given to us, *except* to the matters expressed in the **Basis of Qualified Opinion**, and **Emphasis of Matter Paragraph**, the statement

Presents financial results in accordance with the requirements of Regulation 33 of the Listing Regulations, and,

Gives a true and fair view in conformity with the applicable Indian accounting standards (IND AS) as prescribed under the section 133 of the Companies Act 2013 read with the relevant rules issued there under and other accounting principles generally accepted in India, of the standalone loss and other comprehensive Income and other financial information of the Company as at 31<sup>st</sup> March, 2023.

With respect to the standalone Financial Results for the quarter ended 31<sup>st</sup> March, 2023, based on our review conducted as stated in paragraph (b) of Auditor's Responsibilities section below, nothing has come to our attention that causes us to believe that the standalone Financial Results for the quarter ended March 31, 2023, prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standards 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.

## Basis for Qualified Opinion

We conducted our audit in accordance with the standards of auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under these standards are further described in the Auditor's Responsibilities for the audit of the statement section of our report. We are independent of the company in accordance with the code of ethics issued by the institute of Chartered Accountants of India (The ICAI) together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act 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 obtained by us is sufficient and appropriate to provide a basis for our opinion

1. The attached Balance Sheet as at **31<sup>st</sup> March, 2023** is drawn on the basis of the Principle of 'Going Concern'. We opine as follows in this connection:
  - i. Due to Negative Net-worth and pending cases, it cast a significant uncertainty on the Company ability to continue as a going concern, however the management is hopeful for recovery hence the financials result prepared on going concern basis.
  - ii. Investment – As per Company accounting policy the Company has adopted fair value model to value the investment, but the company has been continuously valued all investment at cost price. Due to non-availability of current market value of investments we are unable to comment on the quantum of fair value adjustments required by the company. Details of Investment and Net-worth is as follows.

Particular	Investment value ( In Lakhs)	Net-worth ( In Lakhs) As on 31-03-2023	Relationship
Systat Software Inc USA	1851.18	(7185.12)	Subsidiary
Systat Software Asia Pacific Limited	38.00	50.44	Subsidiary
Systat Software GMBH – Germany	14.48	336.71	Subsidiary
Analytix Systems Private Limited	630.00	7.95	Subsidiary
Caravel Info Systems Pvt Ltd	362.33	(476.43)	Subsidiary
Proland Software Pvt Ltd	318.89	(645.89)	Subsidiary
Cranes Varsity Pvt Ltd	1.00	8.17	Subsidiary
<b>Total</b>	<b>3215.88</b>		

- iii. Expected credit loss: following assets are non-performing in nature hence As per IND AS 109 "Financials instrument" the company needs to provide ECL by following lifetime ECL model.

Particular	Amount
Investment	3215.88 Lakhs
Loan and advances	902.11 lakhs
Trade receivables	6,512.77 lakhs

- iv. Legal proceedings u/s.138 of the Negotiable Instruments Act has been initiated by Bank of India.
- v. The Company has been defaulted in booking and payment of various statutory dues to various statutory authorities.
- vi. In our opinion the securities provided to Banks are not adequate to cover the amounts outstanding to them as on the date of Balance Sheet.
- vii. 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 period ended 31<sup>st</sup> March, 2023.
- viii. In continuation to the point 'vii' 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 loss for the period ended 31<sup>st</sup> March, 2023
- ix. 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 5050.28 lakhs on such outstanding amounts for the period ended 31<sup>st</sup> March, 2023 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 period ended 31<sup>st</sup> March, 2023 would have been higher by INR 5050.28 lakhs.
- x. Wilful defaulter: The bank of India has declared Company and promoters as "wilful defaulter".
- xi. 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 (including interest amounting to INR 9,610 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 period ended 31<sup>st</sup> March, 2023. Had such interest been provided in the books in the normal course, the present loss for the period ended 31<sup>st</sup> March, 2023 would have been higher by INR 1654.73 lakh
- xii. In continuation to the point 'xi' 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 period ended 31<sup>st</sup> March, 2023 would have been higher by INR 1890.00 lakhs.

- xiii. 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.
- xiv. The company has not complied with RBI guidelines since March 2011

#### **Emphasis of Matter**

The attached Balance Sheet as at 31<sup>st</sup> March, 2023 is drawn on the basis of the Principle of 'Going Concern'. We opine as follows in this connection:

- a. Redemption of Foreign currency convertible bond  
Redemption of Foreign currency convertible bond amounting to INR. 29,085.00 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 date of Balance Sheet. 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. Term loans and working capital loan availed by the company from Bank of India amounting to INR 39,006.21 lakhs remain unpaid and are overdue since 2009, remain unpaid and are overdue since 2009. The lender has 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 the respective Hon'ble Courts. Winding up petition 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.
- c. In our opinion the securities provided to Banks are not adequate to cover the amounts outstanding to them as on the date of Balance Sheet.
- d. We would like to draw the attention of the members to note no. 25 of the standalone Ind AS Financial Statements regarding default of payments to various statutory authorities.

- e. We draw attention to Note No. 33 of the standalone Ind AS Financial Statements regarding the investments (including receivables) made in wholly owned subsidiaries. As explained by the management, it being a long term and strategic investment, there is a reasonable certainty that there will be no diminution in the value of the investment and is confident of recovery of receivables and therefore no provisioning has been considered necessary. The details of investments (including receivables) in subsidiaries are as under.

(INR in Lakhs)

SI No.	Name of the Subsidiary	Amount
1	Systat Software UK Ltd	437.91
2	Proland Software Private Limited	464.20
3	Systat Software Inc.(Net of Provision)	6512.77
	<b>Total</b>	<b>7414.88</b>

- f. The company had invested in the below mentioned wholly owned subsidiaries. Due to the cumulative losses in the subsidiaries, the value of investment is eroded.

(INR in Lakhs)

SI No.	Name of the Subsidiary	Investment	Shareholder Funds
1	Proland Software Pvt Ltd	318.89	(645.74)
2	Systat Software Inc. USA	1,851.18	(7185.12)
3	Caravel Info System Private Limited	362.33	(476.43)
	<b>TOTAL</b>	<b>2,532.40</b>	<b>(8307.44)</b>

- g. The company has not provided for diminution / impairment in the value of its investments in the above wholly owned subsidiaries, as required by the IND AS-36.
- h. The Company has drawn and utilized an amount INR 43.78 lakhs from the 'CSIL Employees Comprehensive Gratuity Trust' fund for the purpose not intended in terms of 'The Payment of Gratuity Act, 1972'. (See note No. 14 of the Financial Statements)
- i. The company has provided for doubtful debts of INR 1,606.35 lakhs during the year, towards due from a subsidiary.

- j. We would like to draw the attention of the members to note no. 23 of the financial statements regarding write off of advance due from a subsidiary amounting to INR 4794.30 lakhs. The company has not complied with the required permissions from the regulatory authorities towards the write off of advances.
- k. We would like to draw the attention of the members to note no. 20 of the financial statements regarding write back of advances due to a subsidiary amounting to INR 7364.02 lakhs. The company has not complied with the required permissions from the regulatory authorities towards the write back of advances.
- l. 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 favor of the respective statutory authorities.
- m. 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.
- n. The management is of the opinion that the all assets, investments have at least the value as stated in the Balance Sheet, if realized in the ordinary course of business.

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

#### **Responsibilities of the Management and Those Charged with Governance for the statement**

This statement has been prepared on the basis of the standalone annual audited financial statements and has been approved by the company's Board of Directors. The Company's Board of Directors are responsible for the preparation and presentation of the statement that gives a true and fair view of the net profit/loss and other comprehensive income and other financial information of the company in accordance with the accounting principles generally accepted in India including Ind AS 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. This 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 regularities; selection and application of appropriate Accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the

accuracy and completeness of the accounting records relevant to the preparation and presentation of the statement that gives a true and fair view and is free from material misstatements whether due to fraud or error.

In preparing the financial statements, management is 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 Management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

#### **Auditor's Responsibility for the audit of statement**

Our objective is to obtain reasonable assurance about whether the financial statements 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, specified under section of 143(10) of the Act will always detect a material mis-statement when it exists. Mis-statements can arise from fraud or error and are considered material if individually or in aggregate they could reasonably be expected to influence the economic decisions of users taken on the basis of this statement

- Identify and assess the risks of material misstatement of the financial statements, 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, misrepresentations, 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. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's 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 Company's ability 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 financial statements 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 financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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.

#### **Other Matter**

The statement includes the financial results of the quarter ended 31<sup>st</sup> March 2023, being the balancing figures between the audited figures between the audited figures in respect of the full financial year and the published unaudited year-to-date figures up to the third quarter of the current financial year, which were subject to limited review by us.

For **Chaturvedi Sohan & Co.**

Chartered Accountants

Registration No.118424W

**NOSHIR  
BURJORJI  
CAPTAIN**

Digitally signed by  
NOSHIR BURJORJI  
CAPTAIN  
Date: 2023.10.25  
19:09:23 +05'30'

**Noshir Captain**

Partner

Membership No.009889

(UDIN : 23009889BGWUXY9626 )

Date : 25<sup>th</sup> October 2023

Place : Mumbai



Partners :  
Sohan Chaturvedi FCA  
Chaturvedi V N FCA  
Noshir B Captain FCA  
Rajiv Chauhan ACA  
Neha Chauhan ACA  
Shristi Chaturvedi ACA  
Prakash Mistry FCA



# Chaturvedi Sohan & Co.

## Chartered Accountants

FRN - 118424W

**Independent Auditor's Report on Consolidated Annual Financial Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Requirements, 2015**

**To The Board of Directors of Cranes Software International Limited**

**Qualified Opinion**

1. We have audited the accompanying consolidated annual financial results 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 year ended 31<sup>st</sup> March 2023 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") including relevant circulars issued by SEBI from time to time.
2. In our opinion and to the best of our information and according to the explanations given to us these consolidated year-end financial results:
  - (i) Includes the Audited financial results and year to date of the following entities:
    - (a) Analytix Systems Pvt Ltd
    - (b) Caravel Info Systems Pvt Ltd
    - (c) Cranes Varsity Private limited
    - (d) Proland Software Pvt Ltd
    - (e) Systat Software Asia Pacific Ltd
    - (f) Tilak Auto Tech Private Limited
    - (g) Systat Software Inc (USA)
    - (h) Systat Software Gmbh (Germany)
    - (i) Systat Software Inc (USA)
3. In our opinion and to the best of the information and according to the explanation given to us, *except* to the matters expressed in the **Basis of Qualified Opinion**, and **Emphasis of Matter Paragraph**, the statement
  - i) presents financial results in accordance with the requirements of Regulation 33 of the Listing Regulations, and,
  - ii) gives a true and fair view in conformity with the applicable Indian accounting standards (IND AS) as prescribed under the section 133 of the Companies Act 2013 read with the relevant rules

issued thereunder and other accounting principles generally accepted in India, of the consolidated loss and other comprehensive Income and other financial information of the Company as at 31<sup>st</sup> March, 2023.

4. With respect to the Consolidated Financial Results for the year ended March 31, 2023, based on our review conducted as stated in paragraph (b) of Auditor's Responsibilities section below, nothing has come to our attention that causes us to believe that the Consolidated Financial Results for the year ended March 31, 2023, prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standards 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.

#### **Basis for Qualified Opinion**

We conducted our audit in accordance with the standards of auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under these standards are further described in the Auditor's Responsibilities for the audit of the statement section of our report. We are independent of the company in accordance with the code of ethics issued by the institute of Chartered Accountants of India (The ICAI) together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act 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 obtained by us is sufficient and appropriate to provide a basis for our opinion. Expected credit loss: following assets are non-performing in nature hence As per IND AS 109 "Financials instrument" the company needs to provide ECL by following lifetime ECL model.

Particulars	Amount
Loan and advances	902.11 lakhs
Trade receivables	6512.77 lakhs

- 2) Legal proceedings u/s.138 of the Negotiable Instruments Act has been initiated by Bank of India.
- 3) The Company has been defaulted in booking and payment of various statutory dues to various statutory authorities.
- 4) In our opinion the securities provided to Banks are not adequate to cover the amounts outstanding to them as on the date of Balance Sheet.
- 5) 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 period ended 31<sup>st</sup> March, 2023.

6) In continuation to the point '5' 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".

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 5050.28 lakhs on such outstanding amounts for the period ended 31<sup>st</sup> March, 2023 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 period ended 31<sup>st</sup> March, 2023 would have been higher by INR 5050.28 lakhs.

8) Wilful defaulter: The bank of India has declared Company and promoters as "wilful defaulter".

9) 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 (including interest amounting to INR 9,610 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 period ended 31<sup>st</sup> March, 2023. Had such interest been provided in the books in the normal course, the present loss for the period ended 31<sup>st</sup> March, 2023 would have been higher by INR 1654.73 lakhs.

10) In continuation to the point '9' 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 period ended 31<sup>st</sup> March, 2023 would have been higher by INR 1890.00 lakhs.

11) 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.

12) The company has not complied with RBI guidelines since March 2011

### **Emphasis of Matter**

Our audit report has to be read along with the 'Emphasis of Matter' para as appearing in our Independent Auditor's Report of even date in respect of the Standalone financials of Cranes Software International Limited.

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

### **Responsibilities of the Management and Those Charged with Governance for the statement**

The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms with the requirement of the Companies Act, 2013 ("the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the 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 the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless Management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those respective Board of Directors of the companies including in the group are also responsible for overseeing the financial reporting process of the group.

### **Auditor's Responsibility for the audit of statement**

Our objective is to obtain reasonable assurance about whether the financial statements 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, specified under section of 143(10) of the Act will always detect a material mis-statement when it exists. Mis-statements can arise from fraud or error and are considered material if individually or in aggregate they could reasonably be expected to influence the economic decisions of users taken on the basis of this statement

- Identify and assess the risks of material misstatement of the financial statements, 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, misrepresentations, 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. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's 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 Company's ability 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 financial statements 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 financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated Ind AS financial statements of which we are the independent auditors 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.

**Other Matters**

1. We did not audit the financial statements of seven (7) subsidiaries included in the consolidated year end results, whose consolidated financial statements reflect total assets of INR 2465.83 Lakhs as at 31<sup>st</sup> March 2023 and the total revenue of INR 3609.82 Lakhs For the year ended 31<sup>st</sup> March 2023
2. The statement includes the financial results of the year ended 31<sup>st</sup> March 2023, being the balancing figures between the audited figures in respect of the full financial year and the published unaudited year-to-date figures up to the third quarter of the current financial year, which were subject to limited review by us.

For **Chaturvedi Sohan & Co.**

Chartered Accountants

Registration No.118424W

**NOSHIR  
BURJORJI  
CAPTAIN**

Digitally signed by  
NOSHIR BURJORJI  
CAPTAIN  
Date: 2023.10.25  
19:10:46 +05'30'

**Noshir Captain**

Partner

Membership No.009889

(UDIN : 23009889BGWUXZ3481)

Date : 25<sup>th</sup> Oct. 2023

Place : Mumbai