



Cranes Software International Limited

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26th August, 2021

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

Dear Sir,

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

Further to our letter dt. 18th August, 2021 informing you of the Board of Directors Meeting, we wish to inform you that at the meeting of the Board of Directors held today (26th August, 2021), the Board has:

- Approved and taken on record the un-audited financial results for the quarter and period ended 30th June, 2021. 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

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CIN : L05190KA1984PLC031621

Unaudited Financial Result for the quarter ended 30th June, 2021

PART-1

(Rs.In Lakhs)

Sl. No	Particulars	Standalone				Consolidated			
		3 Months Ended		Year Ended		3 Months Ended		Year Ended	
		30.06.2021	31.03.2021	30.06.2020	31.03.2021	30.06.2021	31.03.2021	30.06.2020	31.03.2021
		Unaudited	Audited	Unaudited	Audited	Unaudited	Audited	Unaudited	Audited
1	Income from Operations								
	Net Sales/Income from Operations	18.78	141.87	13.91	276.16	120.76	3,290.80	549.27	5,859.85
	Other Income	141.10	4.82	19.93	98.47	152.63	104.85	24.84	236.10
	Total Income	159.89	146.69	33.84	374.63	273.39	3,395.65	574.11	6,095.95
2	Expenses								
	(a) Cost of materials consumed	-	-	-	-	29.60	261.69	-	322.69
	(b) Purchase of Stock-in-Trade								
	(c) Changes in inventories of finished goods and work-in-progress	-	-	-	-	-	-	-	-
	(d) Employee benefit expense	29.43	69.73	43.93	231.05	249.32	88.00	400.90	921.21
	(e) Finance costs	-	0.12	0.03	0.51	8.12	32.83	0.07	33.81
	(f) Depreciation and amortization expense	2.36	2.61	2.21	9.23	44.64	339.17	321.83	1,380.42
	(g) Other expenses	382.47	6,534.80	24.84	7,525.63	460.03	5,478.70	124.07	6,903.74
	Total Expenses	414.27	6,607.25	71.01	7,766.41	791.69	6,200.40	846.87	9,561.88
3	Profit/(Loss) from Ordinary activities before exceptional items & taxes (1-2)	(254.38)	(6,460.56)	(37.17)	(7,391.78)	(518.30)	(2,804.75)	(272.76)	(3,465.93)
4	Exceptional Items	-	-	-	-	-	-	-	-
5	Profit/(Loss) from ordinary activities before tax (3-4)	(254.38)	(6,460.56)	(37.17)	(7,391.78)	(518.30)	(2,804.75)	(272.76)	(3,465.93)
6	Tax expense/(credit)								
	(a) Current Tax	-	-	-	-	-	14.32	18.04	47.18
	(b) Deferred Tax	(64.33)	(2,593.18)	(8.51)	(2,552.99)	(111.29)	(1,588.52)	(8.51)	(1,548.33)
	Total tax expenses / (credit)	(64.33)	(2,593.18)	(8.51)	(2,552.99)	(111.29)	(1,574.20)	9.53	(1,501.15)
7	Net Profit/(Loss) from ordinary activities after tax (5-6)	(190.05)	(3,867.38)	(28.66)	(4,838.79)	(407.01)	(1,230.54)	(282.29)	(1,964.78)
8	Extraordinary Items								
9	Net Profit/(Loss) for the period (7-8)	(190.05)	(3,867.38)	(28.66)	(4,838.79)	(407.01)	(1,230.54)	(282.29)	(1,964.78)
10	Minority Interest	-	-	-	-	-	-	-	-
11	Net Profit/(Loss) after Taxes, minority interest and share of profit/Loss of associates(9+10)	(190.05)	(3,867.38)	(28.66)	(4,838.79)	(407.01)	(1,230.54)	(282.29)	(1,964.78)
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				(69,380.13)				(75,491.72)
15	Earnings Per Share (Rs) (not annualised)								
	i) Basic	(0.16)	(3.28)	(0.02)	(4.11)	(0.35)	(1.04)	(0.24)	(1.67)
	ii) Diluted	(0.16)	(3.28)	(0.02)	(4.11)	(0.35)	(1.04)	(0.24)	(1.67)

CRANES SOFTWARE INTERNATIONAL LIMITED

PART-2

SL No	PARTICULARS	3 Months Ended			Year ended
		30.06.2021	31.03.2021	30.06.2020	31.03.2021
A	PARTICULARS OF SHAREHOLDING				
1	Public Shareholding				
	- Number of shares	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%
2	Promoters and Promoter Group Shareholding				
	(a) Pledged / Encumbered				
	- Number of shares	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%
	- 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	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%
	- 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 2021				
	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 result is for the quarter ended June 30, 2021 as reviewed and recommended by the Audit committee of the Board, has been approved by the Board of Directors at its meeting held on August 26, 2021.
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 March 31, 2021.
5. The Company has not restated for FCCB liability, Loan from UPS Capital and interest thereon for the quarter and ended June 30, 2021.
6. Other income includes exchange fluctuation gain of Rs. 140.83 Lakhs for the Quarter ended June 30, 2021.
7. The Company experienced serious business impact and disruptions as the pandemic downturn disrupted the entire industrial, manufacturing and services spectrum. Revenues and operations have been affected due to shut-downs, travel restrictions, and restricted customers' and users' demand. Under continuing Covid-19 uncertainties, we are adapting the company's legacy products, services and training capabilities to evolving requirements of customers, students, corporate and universities. In addition to developing training programs in emergent technologies like Cloud Computing, Analytics and AI, the company is focused on expanding our expertise, programs and collaborations in the expansive On-Line training sector.

for Cranes Software International Limited

Place : Bangalore
Date: 26th August 2021

Mueed Khader
Director
DIN - 00106674



**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 2021, which are included in the accompanying 'Statement of Unaudited Financial Results for quarter and nine months ended 30th June 2021 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 a winding up order is issued against the Company by the Hon'ble High Court of Karnataka vide order dated 28th November 2017. Further, based on the plea submitted by the Company, the Hon'ble High Court of Karnataka had granted a stay during December 2020 directing the official liquidator not to precipitate the process of the winding up order and the matter is extended till the next date of hearing as the petitioner and the company are exploring the possibility of amicable settlement.

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 2021.
- 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 2021. Had such interest been provided in the books in the normal course, the present loss for the quarter ended 30th June 2021 would have been higher by INR 445.53 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 2021 would have been higher by INR 1,003.80 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 2021. Had such interest been provided in the books in the normal course, the present loss for the quarter ended 30th June 2021 would have been higher by INR 11.16 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 loss for the quarter ended 30th June 2021 would have been higher by INR 7.04 lakhs.

5.6 Term loans and working capital loans availed by the company from various banks amounting to INR 57,376.13 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 3,035.08 lakhs on such outstanding amounts for the quarter ended 30th June 2021, 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 2021 would have been higher by INR 3,035.08 lakhs.

5.8 The company has provided for doubtful debts of INR 363.11 lakhs during the quarter ended 30th June 2021, towards due from a subsidiary.

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 21226267AAAABS1595

Place: Bengaluru
Date: August 26, 2021



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 ended 30th June 2021, 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 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 382.75 lakhs for the quarter ended 30th June 2021, total net loss after tax of INR 210.37 lakhs ended 30th June 2021 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 Prabhada Hegde & Co.
Chartered Accountants
Firm Registration No. 013367S

Timmayya Hegde
Partner
Membership No. 226267
UDIN 21226267AAAABT8518

Place: Bengaluru
Date: August 26, 2021

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