



Cranes Software International Limited

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30th May, 2016

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
Ref: Company No 512093

Further to our letter dt. 20th May, 2016 informing you of the Board of Directors Meeting, we wish to inform you that at the meeting of the Board of Directors held today (30th May, 2016), the Board has:

- Approved and taken on record the audited financial results for the year ended 31st March, 2016. The results are enclosed herewith for your information / records.
- The Auditor's Report is also enclosed for your reference.
- No dividend payout has been declared for the financial year 2015-2016 in order to conserve cash reserves.

Thanking you,

Yours faithfully,
For Cranes Software International Ltd.

Authorized Signatory

Encl: as above

Statement of Audited Financial Result for the Quarter and Year Ended 31st March, 2016

PART-1

SL. No.	Particulars	Standalone			Consolidated			(Rs.In Lakhs)			
		3 Months Ended		Year Ended	3 Months Ended		Year Ended	Year Ended			
		31.03.2016 Audited	31.12.2015 Unaudited	31.03.2015 Audited	31.03.2016 Audited	31.12.2015 Unaudited	31.03.2015 Audited	31.03.2016 Audited	31.03.2015 Audited		
1	Income from Operations										
	(a) Net sales/income from operations	163.84	231.05	318.22	854.85	1,370.11	9,593.55	10,160.16	9,786.31	38,808.65	36,763.65
	(b) Other operating income										
	Total income from operations (Net)	163.84	231.05	318.22	854.85	1,370.11	9,593.55	10,160.16	9,786.31	38,808.65	36,763.65
2	Expenses										
	(a) Cost of materials consumed	0.32	0.07	96.64	0.68	182.55	5,991.54	5,516.76	5,025.58	22,389.06	19,032.70
	(b) Purchase of Stock-in-Trade										
	(c) Changes in inventories of finished goods and work-in-progress	1.36	0.89	(6.09)	6.50	(1.13)	(252.54)	226.39	73.58	(247.40)	78.55
	(d) Employee benefit expense	43.92	87.77	147.59	363.03	701.20	2,173.74	2,414.21	2,876.19	10,010.85	11,503.27
	(e) Depreciation and amortization expense	212.41	406.18	272.54	1,426.50	1,426.49	675.61	852.45	719.61	3,209.52	3,078.47
	(f) Other expenses	1,183.11	25.88	37.95	2,405.09	319.78	4,733.24	1,257.05	1,602.75	9,737.39	6,422.02
	Total Expenses	1,441.12	520.79	548.63	4,201.80	2,628.89	13,321.60	10,266.86	10,297.71	45,099.43	40,115.01
3	Profit/(Loss) from operations before other income, finance costs & exceptional items (1-2)	(1,277.29)	(289.74)	(230.41)	(3,346.96)	(1,258.78)	(3,728.06)	(106.70)	(511.40)	(6,290.79)	(3,351.36)
4	Other income	446.85	695.34	3,716.18	483.30	7,232.26	504.85	707.92	4,256.52	690.82	8,055.01
5	Profit/(Loss) from ordinary activities before finance costs & exceptional items (3+4)	(830.44)	405.61	3,485.77	(2,863.66)	5,973.48	(3,223.21)	601.22	3,745.12	(5,599.97)	4,703.65
6	Finance costs	1,067.01	2,757.50	2,835.33	9,071.03	11,097.72	1,051.90	2,924.18	3,050.27	9,309.34	11,364.32
7	Profit/(Loss) from ordinary activities after finance costs but before exceptional items (5-6)	(1,897.44)	(2,351.88)	650.44	(11,934.68)	(5,124.24)	(4,275.10)	(2,322.96)	694.85	(14,909.30)	(6,660.67)
8	Exceptional items	(4.08)	(0.60)	(36.14)	(11.27)	(36.14)	(4.08)	(0.60)	(90.64)	(11.27)	(90.64)
9	Profit/(Loss) from ordinary activities before tax (7 + 8)	(1,901.52)	(2,352.48)	614.30	(11,945.95)	(5,160.38)	(4,279.18)	(2,323.56)	604.21	(14,920.57)	(6,751.31)
10	Tax expenses	(576.54)	(1,148.53)	(753.29)	(4,035.07)	(2,822.00)	85.33	(1,649.85)	(791.90)	(3,714.67)	(2,791.71)
11	Net Profit/(Loss) from ordinary activities after tax (9-10)	(1,324.98)	(1,203.96)	(138.99)	(7,910.88)	(2,338.38)	(4,364.52)	(673.71)	(187.69)	(11,205.91)	(3,959.60)
12	Extraordinary items										
13	Net Profit/(Loss) for the period (11-12)	(1,324.98)	(1,203.96)	(138.99)	(7,910.88)	(2,338.38)	(4,364.52)	(673.71)	(187.69)	(11,205.91)	(3,959.60)
14	Minority interest										
15	Net Profit/(Loss) after taxes & minority interest (13+14)	(1,324.98)	(1,203.96)	(138.99)	(7,910.88)	(2,338.38)	(4,364.52)	(673.71)	(187.69)	(11,205.91)	(3,959.60)
16	Paid-up equity share capital (Face value of Rs.2/-)										
17	Reserve excluding Revaluation Reserves as per balance sheet of previous accounting year	2355.34	2355.34	2355.34	2355.34	2355.34	2355.34	2355.34	2355.34	2355.34	2355.34
18 i	Earnings Per Share (before extraordinary items)				(20,510.56)	(12,599.70)				(29,451.94)	(18,250.28)
	i) Basic	(1.13)	(1.02)	(0.12)	(6.72)	(1.99)	(3.71)	(0.57)	(0.16)	(9.52)	(3.36)
	ii) Diluted	(1.13)	(1.02)	(0.12)	(6.72)	(1.99)	(3.71)	(0.57)	(0.16)	(9.52)	(3.36)
18 ii	Earnings Per Share (after extraordinary items)										
	i) Basic	(1.13)	(1.02)	(0.12)	(6.72)	(1.99)	(3.71)	(0.57)	(0.16)	(9.52)	(3.36)
	ii) Diluted	(1.13)	(1.02)	(0.12)	(6.72)	(1.99)	(3.71)	(0.57)	(0.16)	(9.52)	(3.36)



CRANES SOFTWARE INTERNATIONAL LIMITED
Select Information for the Quarter and Year ended 31st March 2016

PART-2

SL No	PARTICULARS	3 Months Ended			Year ended	
		31.03.2016	31.12.2015	31.03.2015	31.03.2016	31.03.2015
A	PARTICULARS OF SHAREHOLDING					
1	Public Shareholding					
	- Number of shares	110,247,850	110,247,850	110,247,850	110,247,850	110,247,850
	- 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	1,000,000	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%	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	6,519,000	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%	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 2016

	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
Segment Wise Revenue, Results & Capital Employed for the Quarter and Year ended 31st March 2016

(Rs.In Lakhs)

SL. No.	Particulars	Standalone				Consolidated					
		3 Months Ended		Year Ended		3 Months Ended		Year Ended			
		31.03.2016 Audited	31.12.2015 Unaudited	31.03.2015 Audited	31.03.2016 Audited	31.03.2016 Audited	31.12.2015 Unaudited	31.03.2015 Audited	31.03.2016 Audited		
1	Segment revenue	115.51	183.57	144.09	644.44	712.30	9,448.68	10,093.67	9,604.67	38,355.61	35,986.69
	(a) International	48.32	47.48	174.13	210.40	657.81	144.86	66.49	181.64	453.03	776.96
	(b) Domestic	163.84	231.05	318.22	854.85	1,370.11	9,593.55	10,160.16	9,786.31	38,808.65	36,763.65
	Total	163.84	231.05	318.22	854.85	1,370.11	9,593.55	10,160.16	9,786.31	38,808.65	36,763.65
2	Less: Inter segment revenue										
	Net sales/income from operations										
	Segment results (Profit / (Loss) before tax and interest from each segment)	(410.04)	(92.91)	(85.30)	(1,074.63)	(414.37)	(1,194.28)	(34.34)	(192.65)	(2,016.66)	(1,101.44)
	(a) International	(871.33)	(197.42)	(181.25)	(2,283.60)	(880.55)	(2,537.85)	(72.96)	(409.39)	(4,285.40)	(2,340.56)
	(b) Domestic	(1,281.37)	(290.33)	(266.55)	(3,358.23)	(1,294.92)	(3,732.14)	(107.30)	(602.04)	(6,302.06)	(3,442.00)
	Total	1,067.01	2,757.50	2,835.33	9,071.03	11,097.72	1,051.90	2,924.18	3,050.27	9,309.34	11,364.32
	Less: i) Interest										
	ii) Other un-allocable expenditure net off										
	iii) Un-allocable income	446.85	695.34	3,716.18	483.30	7,232.26	504.85	707.92	4,256.52	690.82	8,055.01
	Total Profit / (Loss) before tax	(1,901.52)	(2,352.48)	614.30	(11,945.95)	(5,160.38)	(4,279.18)	(2,323.56)	604.21	(14,920.57)	(6,751.31)
3	Capital employed	1,766.50	1,766.50	1,766.50	1,766.50	1,766.50	1,766.50	1,766.50	1,766.50	1,766.50	1,766.50
	(a) International	588.83	588.83	588.83	588.83	588.83	588.83	588.83	588.83	588.83	588.83
	(b) Domestic	2,355.33	2,355.33	2,355.33	2,355.33	2,355.33	2,355.33	2,355.33	2,355.33	2,355.33	2,355.33
	Total	2,355.33	2,355.33	2,355.33	2,355.33	2,355.33	2,355.33	2,355.33	2,355.33	2,355.33	2,355.33



STATEMENT OF ASSETS AND LIABILITIES AS AT 31ST MARCH 2016

(Rs.in Lakhs)

PARTICULARS	STANDALONE		CONSOLIDATED	
	As at 31.03.2016	As at 31.03.2015	As at 31.03.2016	As at 31.03.2015
	Audited		Audited	
A EQUITY AND LIABILITIES				
1 Shareholders' Funds				
a) Share Capital	2,355.34	2,355.34	2,355.34	2,355.34
b) Reserves and surplus	(20,510.58)	(12,599.70)	(29,451.94)	(18,250.28)
Shareholders' Funds	(18,155.24)	(10,244.36)	(27,096.60)	(15,894.94)
2 Minority Interest				
3 Non-current liabilities				
a) Long term borrowings	-	-	1,468.31	1,468.31
b) Long term provisions	17.01	56.48	35.17	74.64
Non-current liabilities	17.01	56.48	1,503.48	1,542.95
4 Current liabilities				
a) Short term borrowings	43.78	43.78	1,227.77	1,345.65
b) Trade payables	589.81	1,205	1,874.43	3,053.64
c) Other current liabilities	141,612.18	128,084.75	147,572.60	134,222.73
d) Short terms provisions	85.67	82.46	85.67	82.46
Current liabilities	142,331.44	129,416.28	150,760.46	138,704.48
TOTAL - EQUITY AND LIABILITIES	124,193.21	119,228.39	125,167.34	124,352.49
B ASSETS				
1 Non-current assets				
a) Fixed Assets	30,826.30	32,252.28	51,055.81	58,857.01
b) Non-current Investments	8,009.18	8,009.18	17.86	17.86
c) Deferred tax assets	31,000.89	26,965.82	33,552.08	29,648.80
d) Long-term loans and advances	44,460.56	42,927.42	24,834.85	24,750.1678
e) Other Non-current assets				
Non-current assets	114,296.94	110,154.70	109,460.61	113,273.84
2 Current assets				
a) Inventories	44.74	51.23	337.60	90.20
b) Trade receivables	9,688.88	8869.397123	9,266.68	8,120.92
c) Cash and cash equivalents -	63.18	71.29	1,347.84	817.59
d) Short-term loans and advances	99.47	81.7677408	4,754.61	2,049.94
e) Other current assets				
Current assets	9,896.26	9,073.68	15,706.73	11,078.65
TOTAL - ASSETS	124,193.21	119,228.39	125,167.34	124,352.49



Notes:

1. The above results have been approved by the Audit Committee and taken on record by the Board of Directors at its meeting held on May 30, 2016.
2. The Boards of Directors are hopeful of settling its remaining liabilities with the banks and Bond Holders and normalize its business operations in this financial year.
3. The consolidated results have been prepared in line with the requirements of Accounting Standards-21 "Consolidated Financial Statements".
4. No Investor complaints were received during the Quarter.
5. Other Expenses of Standalone includes foreign exchange loss of Rs.1059.98 Lakhs for the quarter and Rs.2099.10 Lakhs for the year ended on account of restatement of foreign assets and liabilities.
6. Previous year period figures have regrouped/reclassified wherever necessary.

Cranes Software International Limited


(Mueed Khader)
Executive Director



30-May-16
Bangalore

S. JANARDHAN & ASSOCIATES

CHARTERED ACCOUNTANTS

VIJAY BHATIA, B.com., F.C.A.,
BALAKRISHNA S.BHAT, B.com., F.C.A.,
B. ANAND, B.Sc.,F.C.A.,



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

To
Board of Directors of Cranes Software International Limited

1. We have audited the quarterly financial results of **Cranes Software International Limited** for the year ended 31st March 2016 and the year to date results for the period 1st April 2015 to 31st March 2016 attached herewith, being submitted by the company pursuant to the requirement of Regulation 33 of the SEBI(Listing Obligations and Disclosure Requirements) Regulations,2015 except for the disclosures regarding 'Public Shareholding' and 'Promoter and Promoter Group Shareholding' which have been traced from disclosures made by the management and have not been audited by us. These quarterly financial results as well as the year to date financial results have been prepared on the basis of the interim financial statements, which are the responsibility of the company's management. Our responsibility is to express an opinion on these financial results based on our audit of such interim financial statements, which have been prepared 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.
2. We conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial results are free of material misstatement(s). An audit includes examining, on a test basis, evidence supporting the amounts disclosed as financial results. An audit also includes assessing the accounting principles used and significant estimates made by management. We believe that the audit we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.
3. *The attached Balance Sheet as at 31st March, 2016 is drawn on the basis of the Principle of 'Going Concern'. We opine as follows in this connection :*
 - 3.1 *Redemption of Foreign currency convertible bond amounting to Rs. 31,542 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. A winding up petition has been filed by the trustees of the Foreign Currency Convertible Bond holders against the company, before the division bench Hon'ble High Court of Karnataka for non-payment of principal and the accrued interest thereon.*



3.2 *Legal proceedings u/s.138 of the Negotiable Instruments Act has been initiated by the following Banks against the company.*

- i. *State Bank of Travancore.*
- ii. *Canara Bank*
- iii. *Industrial Development Bank of India*
- iv. *State Bank of Mysore*
- v. *Bank of India*

These Banks 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 have been filed by Canara bank and Bank of India against the company, before the Hon'ble High Court of Karnataka for non-payment of principal and the accrued interest thereon.

3.3 *SBI Capital, a Creditor, has initiated a winding up petition against the company, before the Hon'ble High Court of Karnataka for non-payment of its dues.*

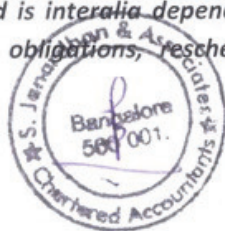
3.4 *In our opinion the securities provided to Banks are not adequate to cover the amounts outstanding to them as on the date of Balance Sheet.*

3.5 *An advance of Rs. 23,978.83 lakhs is due from a party for an inordinate period and in our opinion recovery of the same is doubtful. However, the company continues to classify such amounts as 'Good'. However, no evidence has been given to us to consider those amounts as recoverable as on the date of Balance Sheet.*

3.6 *Attention of the members is invited to note 3.10 of the Financial Statements regarding recognition of deferred tax credit on account of unabsorbed losses and allowances aggregating to Rs.31,000.90 lakhs (year ended March 31, 2015 Rs. 26,965.82 lakhs). This does not satisfy the virtual certainty test for recognition of deferred tax credit as laid down in Accounting Standard 22.*

3.7 *Reference is drawn to note no. 3.31 of the Financial Statements regarding the amounts classified under "Fixed Assets" including "Intangible Assets Under Development" amounting to Rs. 22,458.78 lakhs. No evidence has been produced before us for testing its impairment and in the absence of the same, we are unable to express any opinion on the impairment to such asset. In our opinion, such test of impairment as on the date of Balance Sheet is mandatory, especially in view of the higher degree of the obsolescence of software which is stated to be under various stages of development, though no further developments have been carried out during the recent years.*

In the light of the above, the appropriateness of the 'Going Concern' concept based on which the accounts have been prepared is interalia dependent on the Company's ability to infuse requisite funds for meeting its obligations, rescheduling of debt and resuming normal operations.



4 We further report that, except for the effect, if any, of the matters stated in paragraphs 3.7 above, whose financial effect is not ascertainable, had the observations made in paragraphs 3.5 and 3.6 above been considered, the loss after tax for the year ended March 31, 2016 would have been higher by Rs. 54,979.73 lakhs.

5 **Emphasis of Matter**

We draw attention to Note No. 3.35 of the 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.

		(Rs in Lakhs)
Sl No.	Name of the Subsidiary	Amount
1	Caravel Info Systems Private Limited	362.33
2	Cranes Software International Pte Limited	1,553.53
3	Esqube Communication Solutions Private Limited	179.78
4	Proland Software Private Limited	781.70
5	Systat Software Gmbh	7,445.22
6	Systat Software Inc.	18,795.87
7	Tilak Auto Tech Private Limited	51.62
	Total	29,170.06

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

6 In our opinion and to the best of our information and according to the explanations given to us, except for matters stated in paragraphs 3 and 4 above, the Statement:

- (i) is presented in accordance with the requirements of Regulation 33 of the SEBI(Listing Obligations and Disclosure Requirements) Regulations,2015 in this regard; and
- (ii) gives a true and fair view of the net loss and other financial information for the quarter ended 31st March 2016 as well as the year to date results for the period from 1st April 2015 to 31st March 2016.



- 7 Further, we also report that we have, on the basis of the books of account and other records and information and explanations given to us by the management, also verified the number of shares as well as percentage of shareholdings in respect of aggregate amount of public shareholdings, as furnished by the company in terms of Regulation 31 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and found the same to be correct.

Bangalore
30th May, 2016



For S Janardhan and Associates
Chartered Accountants
Registration No.005310S

Vijay Bhatia
Vijay Bhatia
Partner
Membership No.201862

FORM B

1	Name of the Company	Cranes Software International Limited
2	Annual Financial statements for the year ended	Standalone Financial results for the year ended March 31,2016
3	Type of Audit observation	<p>Qualified Opinion as per audit report dated 30th May 2016.</p> <ol style="list-style-type: none"> 1. <i>Redemption of Foreign currency convertible bond amounting to Rs. 31,542 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. A winding up petition has been filed by the trustees of the Foreign Currency Convertible Bond holders against the company, before the division bench Hon'ble High Court of Karnataka for non-payment of principal and the accrued interest thereon.</i> 2. <i>Legal proceedings u/s.138 of the Negotiable Instruments Act has been initiated by the following Banks against the company.</i> <ol style="list-style-type: none"> i. <i>State Bank of Travancore.</i> ii. <i>Canara Bank</i> iii. <i>Industrial Development Bank of India</i> iv. <i>State Bank of Mysore</i> v. <i>Bank of India</i> <p><i>These Banks 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 have been filed by Canara bank and Bank of India against the company, before the Hon'ble High Court of Karnataka for non-payment of principal and the accrued interest thereon.</i></p> 3. <i>SBI Capital, a Creditor, has initiated a winding up petition against the company, before the Hon'ble High Court of Karnataka for non-payment of its dues.</i> 4. <i>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.</i> 5. <i>An advance of Rs. 23,978.83 lakhs is due from a party for an inordinate period and in our opinion recovery of the same is doubtful. However, the company continues to classify such amounts as 'Good'. However, no evidence has been given to us to consider those amounts as recoverable as on the date of Balance Sheet.</i>



	<p>6. <i>Attention of the members is invited to note 3.10 of the Financial Statements regarding recognition of deferred tax credit on account of unabsorbed losses and allowances aggregating to Rs.31,000.90 lakhs (year ended March 31, 2015 Rs. 26,965.82 lakhs). This does not satisfy the virtual certainty test for recognition of deferred tax credit as laid down in Accounting Standard 22.</i></p> <p>7. <i>Reference is drawn to note no. 3.31 of the Financial Statements regarding the amounts classified under "Fixed Assets" including "Intangible Assets Under Development" amounting to Rs. 22,458.78 lakhs. No evidence has been produced before us for testing its impairment and in the absence of the same, we are unable to express any opinion on the impairment to such asset. In our opinion, such test of impairment as on the date of Balance Sheet is mandatory, especially in view of the higher degree of the obsolescence of software which is stated to be under various stages of development, though no further developments have been carried out during the recent years.</i></p> <p>8. Emphasis of Matter as per audit report dated 30th May 2016. We draw attention to Note No. 3.35 of the financial statements regarding the investment of Rs. 29,170.06 lakhs (refer point no. 5 of the audit report) 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.</p> <p>Our Report is not qualified in respect of the above matter.</p>
<p>4 Frequency of Observation</p>	<p>The observations stated in the audit report dated 30th May 2016 on the standalone financial statements of the company have been reported as set out below</p> <p>Qualifications Paragraph 1 to 7 : For the sixth time since financial year 2010-11.</p> <p>Emphasis of Matter: For the first time.</p>



5

To be Signed by-

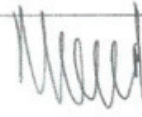
a. Director

b. Auditor of the Company

c. Audit Committee Chairman

Place : Bangalore

Date : 30-May-2016



S. JANARDHAN & ASSOCIATES

CHARTERED ACCOUNTANTS

VIJAY BHATIA, B.com., F.C.A.,
BALAKRISHNA S.BHAT, B.com., F.C.A.,
B. ANAND, B.Sc.,F.C.A.,



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Auditor's Report on Quarterly and year to Date Consolidated Financial Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

To
Board of Directors of Cranes Software International Limited,

- 1) We have audited the quarterly consolidated financial results of Cranes Software International Limited, for the quarter ended 31st March 2016 and the consolidated year to date results for the period 1st April 2015 to 31st March 2016 attached herewith, being submitted by the company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 except for the disclosures regarding 'Public Shareholding' and 'Promoter and Promoter Group Shareholding' which have been traced from disclosures made by the management and have not been audited by us. These consolidated quarterly financial results as well as the consolidated year to date financial results have been prepared from consolidated interim financial statements, which are the responsibility of the company's management. Our responsibility is to express an opinion on these quarterly consolidated financial results and consolidated year to date financial results based on our audit of such consolidated interim financial statements, which have been prepared in accordance with the recognition and measurement principles laid down in the International Accounting Standard (IAS) 34, Interim Financial Reporting, as issued by International Accounting Standard Board.
- 2) We conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial results are free of material misstatement(s). An audit includes examining, on a test basis, evidence supporting the amounts disclosed as financial results. An audit also includes assessing the accounting principles used and significant estimates made by management. We believe that our audit provides a reasonable basis for our opinion.



- 3) We did not audit the financial statements of 10 subsidiaries included in the consolidated Quarterly financial results and consolidated year to date results, whose consolidated interim financial statements reflect total assets of Rs 125,167.34 lakhs as at 31st March 2016 and as at the quarter ended 31st March 2016, as well as the total revenue of Rs 38,808.65 lakhs and Rs. 9,593.55 lakhs
- 4) These interim financial statements and other financial information have been audited by other auditors (except for those stated in para 5.1 below) whose reports have been furnished to us, and our opinion on the quarterly financial results and the year to date results, to the extent they have been derived from such interim financial statements is based solely on the report of such other auditors.
- 5) We would like opine as follows
- I. Consolidated accounts of the company includes, "Compiled financials of Cranes Software International Pte Limited, Singapore and Systat Software GmbH" and are not audited as on 31st March 2016.
- II. Our audit report has to be read along with the observations and qualifications as appearing in para 3 of our audit report of even date in respect of the standalone financials of Cranes Software International Limited.
- 6) In our opinion and to the best of our information and according to the explanations given to us these consolidated quarterly financial results as well as the consolidated year to date results:
- (i) Includes the quarterly Audited financial results and year to date of the following entities:
- (a) Analytix Systems Pvt Ltd
 - (b) Caravel Info Systems Pvt Ltd
 - (c) Cranes Software Inc
 - (d) Esqube Communication Solutions Pvt Ltd
 - (e) Proland Software Pvt Ltd
 - (f) Systat Software Asia Pacific Ltd
 - (g) Systat Software Inc (USA)
 - (h) Tilak Auto Tech Private Limited
- (ii) Includes the quarterly Compiled financial results and year to date of the following entities
- a) Cranes Software Intl. Pte Ltd (Singapore)
 - b) Systat Software GmbH (Germany)
- (iii) Have been presented in accordance with the requirements of Regulation 33 of the SEBI(Listing Obligations and Disclosure Requirements) Regulations,2015; and



(iv) Give a true and fair view of the consolidated net loss and other financial information for the quarter ended 31st March 2016 as well as the consolidated year to date results for the period from 1st April 2015 to 31st March 2016. Further, we also report that we have, on the basis of the books of account and other records and information and explanations given to us by the management, also verified the consolidated number of shares as well as percentage of shareholdings in respect of aggregate amount of consolidated public shareholdings, as furnished by the company in terms of Regulation 31 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and found the same to be correct.

For **S Janardhan and Associates**

Chartered Accountants

Registration No.005310S



Vijay Bhatia

Vijay Bhatia

Partner

Membership No.201862

Bangalore
30th May, 2016

FORM B

1	Name of the Company	Cranes Software International Limited
2	Annual Financial statements for the year ended	Consolidated Financial results for the year ended March 31,2016
3	Type of Audit observation	<p>Emphasis of Matter as per audit report dated 30th May 2016.</p> <p>I. Consolidated accounts of the company includes, "Compiled financials of Cranes Software International Pte Limited, Singapore and Systat Software GmbH" and are not audited as on 31st March 2016.</p> <p>II. Our audit report has to be read along with the observations and qualifications as appearing in para 3 of our audit report of even date in respect of the standalone financials of Cranes Software International Limited.</p> <p>Our Report is not qualified in respect of the above matter</p>
4	Frequency of Observation	The observations stated in the audit report dated 30 th May 2016 on the standalone financial statements of the company have been reported for the sixth time since 2010-11.
5	<p>To be Signed by-</p> <p>a. Director</p> <p>b. Auditor of the Company</p> <p>c. Audit Committee Chairman</p> <p>Place : Bangalore Date : 30-May-2016</p>	