



Cranes Software International Limited

Correspondence Address:

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

Ph: +91 80 6764 4800/4848

Fax: +91 80 6764 4888

Email: training@cranessoftware.com

14th November, 2018

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. 5th November, 2018 informing you of the Board of Directors Meeting, we wish to inform you that at the meeting of the Board of Directors held today (14th November, 2018), the Board has:

- Approved and taken on record the un-audited financial results for the quarter and period ended 30th September, 2018. The results are enclosed herewith for your information / records.
- The Limited Review Report is also enclosed for your reference.
- Appointment of M/s. S Janardhan and Associates as Internal auditors.

Thanking you,

Yours faithfully,

For Cranes Software International Ltd.



Authorised Signatory
Name: Mueed Khader
Designation: Director

Encl: as above

CRANES SOFTWARE INTERNATIONAL LIMITED

Regd. Office: # 82, Presidency Building, 3rd & 4th Floor, St.Marks Road, Bangalore - 560 001
Ph.080 67644848 Fax:080 67644888 Email:info@cranessoftware.com Website: www.cranessoftware.com
CIN: L05190KA1984PLC031621

Statement of Standalone Unaudited Financial Result for the Quarter & Half Year Ended 30th September, 2018

PART-1

		(Rs.In Lakhs)					
	Particulars	Quarter Ended			Half Year Ended		Year Ended
		30.09.2018	30.06.2018	30.09.2017	30.09.2018	30.09.2017	31.03.2018
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1	Income from Operations						
	(a)Net Sales/Income from Operations	256.82	193.66	228.65	450.48	399.26	785.85
	(b)Other Income	9,154.77	539.00	248.92	9,693.77	259.06	7,662.60
	Total Income	9,411.59	732.66	477.57	10,144.25	658.32	8,448.44
2	Expenses						
	(a) Cost of materials consumed	-	-	0.54	-	0.54	5.17
	(b) Purchase of Stock-in-Trade	-	-	-	-	-	-
	(c) Changes in inventories of finished goods and work-in-progress	-	-	-	-	-	40.01
	(d) Employee benefit expense	81.98	81.80	77.01	163.79	148.86	304.08
	(e) Finance costs	9.67	9.03	28.59	18.70	37.42	51.43
	(f) Depreciation and amortization expense	13.74	13.67	16.20	27.42	32.34	64.68
	(g) Other expenses	50.84	80.74	43.66	131.58	87.02	16,185.02
	Total Expenses	156.23	185.25	166.00	341.48	306.19	16,650.39
3	Profit/(Loss) from Ordinary activities before exceptional items & taxes (1-2)	9,255.36	547.41	311.57	9,802.77	352.12	(8,201.95)
4	Exceptional Items	-	-	-	-	0.93	-
5	Profit/(Loss) from ordinary activities before tax (3 - 4)	9,255.36	547.41	311.57	9,802.77	351.19	(8,201.95)
6	Tax expense / (credit)						
	(a) Current Tax	-	-	-	-	-	-
	(b) Deferred Tax	2,627.90	177.03	(12.50)	2,804.93	(20.47)	(682.01)
	Total tax expenses / (credit)	2,627.90	177.03	(12.50)	2,804.93	(20.47)	(682.01)
7	Net Profit/(Loss) from ordinary activities after tax (5-6)	6,627.46	370.38	324.07	6,997.84	371.67	(7,519.94)
8	Extraordinary Items	-	-	-	-	-	-
9	Net Profit/(Loss) for the period (7-8)	6,627.46	370.38	324.07	6,997.84	371.67	(7,519.94)
10	Minority Interest						
11	Net Profit/(Loss) after Taxes, minority interest and share of profit/Loss of associates(9+10)	6,627.46	370.38	324.07	6,997.84	371.67	(7,519.94)
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
14	Reserve excluding Revaluation Reserves as per balance sheet of previous accounting year						(59,362.71)
15	Earnings Per Share						
	i) Basic	5.63	0.31	0.28	5.94	0.32	(6.39)
	ii)Diluted	5.63	0.31	0.28	5.94	0.32	(6.39)



CRANES SOFTWARE INTERNATIONAL LIMITED

PART-2

SL No	PARTICULARS	3 Months Ended			Year ended
		30.09.2018	30.06.2018	30.09.2017	31.03.2018
A	PARTICULARS OF SHAREHOLDING				
1	Public Shareholding				
	- Number of shares	110,247,850	110,247,850	110,247,850	110,247,850
	- Percentage of shareholding	93.62%	93.62%	93.62%	93.62%
2	Promoters and Promoter Group Shareholding				
	(a) Pledged / Encumbered				
	- Number of shares	1,000,000	1,000,000	1,000,000	1,000,000
	- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	13.30%	13.30%	13.30%	13.30%
	- Percentage of shares (as a % of the total share capital of the company)	0.85%	0.85%	0.85%	0.85%
	(b) Non-encumbered				
	- Number of shares	6,519,000	6,519,000	6,519,000	6,519,000
	- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	86.70%	86.70%	86.70%	86.70%
	- Percentage of shares (as a % of the total share capital of the company)	5.54%	5.54%	5.54%	5.54%

B	INVESTOR COMPLAINTS FOR 3 MONTHS ENDED 30TH SEPTEMBER 2018			
	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
STANDALONE STATEMENT OF ASSETS AND LIABILITIES

(Rs in Lakhs)

Particulars	As at 30.09.2018	As at 31.03.2018
	Unaudited	Audited
I. ASSETS		
1 Non-current assets		
Property, plant and equipment	1,060.88	1,087.99
Capital work in progress	5,042.44	5,042.44
Intangible assets	-	-
Deferred Tax Asset (Net)	32,394.55	35,199.48
Financial Assets		
Investments	8,010.18	8,010.18
Loans	6,872.17	8,882.41
Non-current assets total	53,380.22	58,222.50
2 Current assets		
Inventories	-	-
Financial Assets		
Trade receivables	11,526.23	7,348.00
Cash and cash equivalents	12.41	5.48
Bank balances	27.17	24.82
Loans	248.27	226.40
Current assets total	11,814.08	7,604.70
TOTAL ASSETS	65,194.30	65,827.19
II. EQUITY AND LIABILITIES		
Equity		
Equity share capital	2,355.34	2,355.34
Other Equity	(52,364.86)	(59,362.71)
Total Equity	(50,009.52)	(57,007.37)
LIABILITIES		
1 Non-Current Liabilities		
Provisions	6.66	6.66
2 Current liabilities		
Financial Liabilities		
Borrowings	43.78	43.78
Trade payables	485.05	497.44
Other current liabilities	114,498.35	122,112.68
Provisions	169.98	174.01
Current liabilities total	115,197.16	122,827.90
TOTAL EQUITY AND LIABILITIES	65,194.30	65,827.19



Notes:

1. The above quarter and half year ended result for the period ended September 30, 2018 as reviewed and recommended by the Audit committee of the Board, has been approved by the Board of Directors at its meeting held on November 14, 2018.
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 and Bank loans quarter ended September 30, 2018.
5. The Company has not restated FCCB loans and interest thereon for the quarter ended September 30, 2018.
6. Other income includes exchange fluctuation gain of Rs 1,141.96 lakhs and write-back of interest & principal of Bank loan of Rs 8,523.46 lakhs on account of one time settlement (OTS).

Place : Bangalore
Date: 14th November 2018

for Cranes Software International Limited



Mueed Khader
Director
DIN - 00106674

Sethia Prabhad Hegde & Co. Chartered Accountants



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

1. We have reviewed the unaudited financial results of Cranes Software International Limited (the "Company") for the quarter ended September 30, 2018 which are included in the accompanying 'Statement of Unaudited Financial Results for quarter and six months ended September 30, 2018 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") read with SEBI circular dated July 5, 2016, which has been initialled by us for identification purposes. 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.
3. 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.
4. 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 read with SEBI circular dated July 5, 2016 including the manner in which it is to be disclosed, or that it contains any material misstatement.



5. Other Matters

5.1 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.

5.2 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.

5.3 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. The company has obtained a stay against the operation of the winding up order issued by the Hon'ble High Court of Karnataka. However, the accounts have been prepared on a going concern basis.

6. Emphasis of Matter

6.1 Redemption of Foreign currency convertible bond amounting to Rs. 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 and six months ended 30th September 2018.

6.2 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 Rs 38,695 lakhs (including interest amounting to Rs. 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 quarter and six months ended 30th September 2018. Had such interest been provided in the books in the normal course, the present profits for the quarter and six months ended 30th September 2018 would have been lower by Rs 424.72 lakhs and Rs. 827.16 lakhs respectively.

6.3 In continuation to the point no. 6.2 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 AS-11 "The Effects of Changes in Foreign Exchange Rates". Had such restatement of liability been made in the books in the normal course, the present profits for the quarter and six months ended 30th September 2018 would have been lower by Rs 2,579.23 lakhs and Rs. 3,024.67 lakhs respectively.



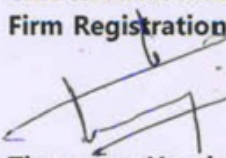
6.4 Term loans and working capital loans availed by the company from various banks amounting to Rs. 60,331.80 lakhs, remain unpaid and are overdue since 2009. The lenders have filed cases before the Debt Recovery Tribunal (DRT) / Hon'ble Courts, etc for recovery of dues. These proceedings are in various 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.

6.5 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 on such outstanding amounts for the quarter and six months ended 30th September 2018 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 profits for the quarter and six months ended 30th September 2018 would have been lower by Rs. 2,326.70 lakhs and Rs. 4,555.90 lakhs respectively.

6.6 Loan availed by the company from 'UPS Capital Business Credit' amounting to Rs 710.99 lakhs remains unpaid and is overdue since April 2014.

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

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


Timmayya Hegde
Partner
Membership No. 226267



Place: Bengaluru
Date: November 14, 2018