



Cranes Software International Limited

Redg. Office:

#2, Tavarekere, Bannerghatta Road, BTM Layout,
1st Stage, 1st Phase, Bangalore - 560 029, INDIA

Ph: +91 80 4128 1111

Fax: +91 80 4128 0203

Email: info@cranessoftware.com

14th February, 2018

To,
The Manager
The National Stock Exchange of India Ltd.
Exchange Plaza
Bandra Kurla Complex, Bandra (E)
Mumbai – 400 051

Dear Sir,

Sub: Outcome of Meeting of the Board of Directors
Ref: CRANESSOFT – EQ

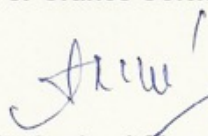
Further to our letter dt. 5th February, 2018 informing you of the Board of Directors Meeting, we wish to inform you that at the meeting of the Board of Directors held today (14th February, 2018), the Board has -

- Taken on record the unaudited financial results for the quarter and period ended 31st December, 2017. The results are enclosed for your information / records.
- Enclosed is a copy of the Limited Review Report.

We request you to kindly take note of the same and acknowledge receipt.

Thanking you,

Yours faithfully,
For Cranes Software International Ltd.


Authorised Signatory
Name: Begum Akthar
Designation: Director



Encl: As above

CRANES SOFTWARE INTERNATIONAL LIMITED

Regd. Office: # 2, Tavarekere, Bannerghatta Road, BTM Layout, 1st Stage, 1st Phase, Bangalore - 560 029

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 & Nine Months Ended 31st December, 2017

PART-1

		(Rs.In Lakhs)					
	Particulars	Quarter Ended			9Months Ended		Year Ended
		31.12.2017	30.09.2017	31.12.2016	31.12.2017	31.12.2016	31.03.2017
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1	Income from Operations						
	(a) Net Sales/Income from Operations	222.41	228.65	198.69	621.67	583.28	780.47
	(b) Other Income	10.68	248.92	1,801.21	34.06	2,049.85	2,149.49
	Total Income	233.09	477.57	1,999.91	655.73	2,633.13	2,929.97
2	Expenses						
	(a) Cost of materials consumed	2.72	0.54	-	3.26	0.73	0.73
	(b) Purchase of Stock-in-Trade	-	-	-	-	-	-
	(c) Changes in inventories of finished goods and work-in-progress	-	-	0.37	-	3.52	4.73
	(d) Employee benefit expense	74.07	77.01	73.17	222.93	212.90	300.89
	(e) Finance costs	27.18	28.59	3,099.21	64.61	8,880.36	11,968.80
	(f) Depreciation and amortization expense	16.20	16.20	309.08	48.54	927.25	1,236.33
	(g) Other expenses	1,172.84	43.66	47.91	1,024.19	164.97	180.98
	Total Expenses	1,293.01	166.00	3,529.74	1,363.53	10,189.72	13,692.46
3	Profit/(Loss) from Ordinary activities before exceptional items & taxes (1-2)	(1,059.93)	311.57	(1,529.83)	(707.80)	(7,556.59)	(10,762.49)
4	Exceptional Items	6,228.76	-	-	6,228.76	1.60	4.50
5	Profit/(Loss) from ordinary activities before tax (3 - 4)	(7,288.69)	311.57	(1,529.83)	(6,936.56)	(7,558.19)	(10,766.99)
6	Tax expense / (credit)						
	(a) Current Tax	-	-	-	-	-	-
	(b) Deferred Tax	5.10	(12.50)	(504.54)	(15.38)	(2,460.04)	(3,516.57)
	Total Tax Expenses / (credit)	5.10	(12.50)	(504.54)	(15.38)	(2,460.04)	(3,516.57)
7	Net Profit/(Loss) from ordinary activities after tax (5-6)	(7,293.78)	324.07	(1,025.29)	(6,921.18)	(5,098.15)	(7,250.41)
8	Extraordinary Items	(7,422.45)	-	-	(7,422.45)	-	-
9	Net Profit/(Loss) for the period (7-8)	128.67	324.07	(1,025.29)	501.27	(5,098.15)	(7,250.41)
10	Minority Interest						
11	Net Profit/(Loss) after Taxes, minority interest and share of profit/Loss of associates(9+10)	128.67	324.07	(1,025.29)	501.27	(5,098.15)	(7,250.41)
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						(27,760.78)
15	Earnings Per Share						
	i) Basic	0.11	0.28	(0.87)	0.43	(4.33)	(6.16)
	ii) Diluted	0.11	0.28	(0.87)	0.43	(4.33)	(6.16)



PART-2

SL No	PARTICULARS	3 Months Ended			Year ended
		31.12.2017	30.09.2017	31.12.2016	31.03.2017
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 31ST DECEMBER 2017				
	Pending at the beginning of the Quarter	Received during the Quarter	Disposed of during the Quarter	Remaining unresolved at the end of the Quarter	
	-	-	-	-	



Notes:

- 1 The above quarter & nine months results for the period ended December 31, 2017 as reviewed and recommended by the Audit committee of the Board, has been approved by the Board of Directors at its meeting held on February 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. Beginning April 1, 2017, the Company has for the first time adopted Ind AS with a transition date of April 1, 2016.
- 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 Ind AS compliant financial results, pertaining to period ended December 31, 2016 has not been subject to limited review or audit. However, the management has exercised necessary due diligence to ensure that such financial results provide a true and fair view of its affairs.
- 5 The Company has not provided interest in books of accounts on FCCB liability and Bank loans for nine months ended December 31, 2017.
- 6 The Company has not restated FCCB loans and interest thereon for the nine months ended December 31, 2017
- 7 The Company has not provided interest for the quarter & nine months ended December 2017, hence the figures are not comparable with corresponding quarter of the previous year.
- 8 Extraordinary items represents write back of Principal and Interest amounts of Rs. 1,690.48 Lakhs on account full and final settlements of OTS scheme with Jammu and Kashmir Bank and Rs. 5,731.96 lakhs with International Asset Reconstruction Company Private Ltd.
- 9 Exceptional item represents an amount of Rs. 6,228.76 lakhs on account capital work in progress written off.
- 10 Other expenses includes an amount of Rs. 639.30 lakhs written off as bad debts.
- 11 The exchange fluctuation loss of Rs 486.52 Lakhs is included under Other expenses for the quarter ended December 31, 2017.
- 12 The reconciliation of net profit or loss reported in accordance with Indian GAAP to total comprehensive income in accordance with Ind AS is given below :

Particulars	Corresponding 3 months ended in the previous year December 31, 2016 (Refer Note 4)
Net Profit as per previous GAAP (Indian GAAP)	(1,025.29)
Ind AS Adjustments	-
Total comprehensive income as per Ind AS	(1,025.29)

for Crane Software International Limited

Place: Bangalore
Date: 14th February 2018



Akthar Begum
Akthar Begum
Director
DIN - 07624256

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 December 31, 2017 and the year to date results for the period April 1, 2017 to December 31, 2017 which are included in the accompanying 'Statement of Unaudited Financial Results for Quarter and nine months ended December 31, 2017 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 accounting policies used in preparation of this Statement are consistent with those used in the preparation of the Company's opening unaudited Balance Sheet as at April 1, 2016 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 nine months ended 31st December 2017.
- 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 nine months ended 31st December 2017. Had such interest been provided in the books in the normal course, the present profits for the quarter ended 31st December 2017 and nine months ended 31st December 2017, would have been lower by Rs 385 lakhs and Rs. 1,146.34 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 ended 31st December 2017 would have been higher by Rs 380.84 lakhs and nine months ended 31st December 2017, would have been lower by Rs. 3,965.19 lakhs respectively.



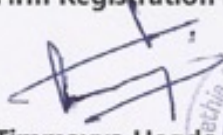
6.4 Term loans and working capital loans availed by the company from various banks amounting to Rs.69,535.38 lakhs, remain unpaid and are overdue since 2009. The lenders have filed cases before the Debt Recovery Tribunal (DRT) / Hon'ble Courts, etc for recovery of dues. These proceedings are in various stages of disposal before the "DRT" and respective Hon'ble Courts. Winding up petitions 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.

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 amounting to Rs. 2,678.63 lakhs on such outstanding amounts for the quarter ended 31st December, 2017 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 ended 31st December 2017 and nine months ended 31st December 2017, would have been lower by Rs. 2,678.63 lakhs and Rs. 8,544.79 lakhs respectively.

6.6 Loan availed by the company from 'UPS Capital Business Credit' amounting to Rs 601.51 lakhs remains unpaid and is overdue since April 2014.

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

For Sethia Prabhada Hegde & Co.
Chartered Accountants
Firm Registration No. 0133675


Timmayya Hegde
Partner
Membership No. 226267



Place: Bengaluru
Date: February 14, 2018