

Minutes of the proceedings of the Twenty Fifth Annual General Meeting of the Shareholders of Cranes Software International Limited held on Thursday, the 30th December, 2010 at 9.30 AM. at Dr. B.R. Ambedkar Bhavana, Millers Road, Vasanthanagar, Bangalore – 560052.

Present:

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| 1. Dr. Rudra Pratap | - Chairman |
| 2. Mr. Asif Khader | - Managing Director |
| 3. Mr. Mueed Khader | - Director |
| 4. Mr. Richard Gall | - Director |

Invitees :

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| 1. Mr. B V Ramesh | - Practising Company Secretary |
| 2. Mr. Balakrishna S Bhat | - Statutory Auditor |

1. Chairman's Welcome:

Dr. Rudra Pratap, Chairman of the Board, extended a warm welcome to the shareholders, of the Company and after ascertaining the presence of quorum, called the meeting to order. He spoke briefly about the Macro Economic Environment, in which the Company operated and the adverse impact of the global recession on the operations of the Company. He stated that the Company did not emerge un-scathed, from the ferocity of the global recession. He however, pointed out that the worst is behind and the Company is poised to recover its lost ground and sought the co-operation of all stakeholders, at this moment of crisis. He outlined initiatives, such as cost cutting measures, consolidation of operations and re-structuring. He invited the Managing Director, Mr. Asif Khader, to address the members.

2. Managing Director's address:

Mr. Asif Khader, Managing Director, extended a warm welcome to his colleagues, on the Board and the shareholders. He spoke at length about new product launches and consolidation of existing product lines. He highlighted that "ETA", one of Company's products, had been nominated for the "innovation award", from amongst five finalists, as the winner of the second annual "society of automotive engineers, Detroit, section / MITEF vehicle innovation competition". He went on to explain, how the global recession, had negatively impacted, the operations of the Company, during the previous two years. He pointed out, that the Company had lost substantial business and revenues, because of cascading effect, of the global turmoil, on some important customers. He explained that among other businesses, **MATLAB** an important contributor of revenues, had also been lost. He pointed out that the Company would spare no effort, nor leave no stone unturned, to recover lost sales and strengthen, the financial position. He stated that the management believed in utmost transparency and up-front discussion, with all its customers, lenders and other stakeholders. He emphasized that though the Company's financial position had turned negative, it was not "**intellectually bankrupt**" and that it had a successful formula in its kitty and huge un-locked values in its "**intellectual property**". He summarized, by saying that the Company would be approaching the shareholders for further approvals, which would eventually set the course for sustained recovery and growth. He thanked all the stakeholders for their cooperation and good will.

3. Notice of the meeting:

With the permission of the members, the notice convening the meeting was taken as read.

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4. Auditor's report:

With the permission of the members, the auditor's report for the financial year ended 31-3-2010, was read out, by the practicing Company Secretary.

Ordinary Business :**5. Adoption of Audited Accounts – 31st March, 2010 :**

Proposed by Mr. Asif Khader and seconded by Dr. B Ashok, a shareholder, the following resolution was passed unanimously, as an ordinary resolution:

"Resolved that the Audited Balance sheet as at 31st March, 2010, the profit and loss account for the year ended 31-03-10 with the notes to accounts, schedules and significant accounting policies, the reports of the directors and auditors thereon be and are hereby adopted."

6. Resolution not to fill vacancy of Director :

Proposed by Mr. Asif Khader and seconded by Dr. B Ashok, a shareholder, the following resolution was passed unanimously, as an ordinary resolution :

"The Board does hereby resolve not to fill the vacancy caused in the Board due to retirement of Dr. (Mrs). Manju Bansal."

7. Resolution not to fill vacancy of Director :

Proposed by Mr. Mueed Khader and seconded by Mr. Satyanarayana Rao, a shareholder, the following resolution was passed unanimously, as an ordinary resolution :

"The Board does hereby resolve not to fill the vacancy caused in the Board due to retirement of Mr. Ronald Eugene Brown."

8. Re-appointment of Auditors:

Proposed by Mr. Mueed Khader and seconded by Mr. Satyanarayana Rao, a shareholder, the following resolution was passed unanimously, as an ordinary resolution :

"Resolved that M/s. S Janardhan & Associates, Chartered Accountants, Bangalore, the retiring auditors of the Company be and are hereby re-appointed as statutory / tax auditors of the company, to hold office from the conclusion of this meeting until conclusion of the next Annual General Meeting, at such remuneration as may be fixed by the Board in consultation with the auditors."

Special Business :**9. Raising of additional long-term funds through further issuance of securities in the Company:**

Proposed by Mr. Rudra Pratap and seconded by Mr. Asif Khader, the following resolution was passed unanimously, as a special resolution :

"Resolved that pursuant to section 81 (1A) and all other applicable provisions of the Companies Act, 1956 (including any modifications or re-enactments thereof, for the time being in force), subject to all applicable laws and in accordance with all relevant provisions of the Memorandum and Articles of Association of the Company and the listing agreements entered into by the Company with the stock exchanges where the Company's shares are listed and subject to any

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necessary approval, consent, permission and / or sanction of the Central Government, Reserve Bank of India and / or any other appropriate regulatory authorities, and subject to such conditions as may be prescribed by any of them while granting any such approval, consent, permission, or sanction, which may be agreed to by the Board of Directors of the Company (hereinafter referred to as "the Board", which term shall be deemed to include any committee constituted by the Board or any person(s) authorized by the Board in this regard), consent of the Company be and is hereby accorded to the Board of Directors, to issue, offer and allot (including with provisions for reservation on firm or preferential and / or competitive basis, of such part of issue and for such categories of persons including promoters or promoter groups, as may be permitted), in the course of one or more domestic or international offering(s) with or without Green Shoe option, including by way of a qualified institutional placement under the SEBI Guidelines, to eligible investors (whether or not such investors are members of the Company, or whether or not such investors are Indian or Foreign, including qualified institutional buyers such as public financial institutions, scheduled commercial banks, mutual funds, foreign institutional investors, multilateral and bilateral development financial institutions, venture capital funds, foreign venture capital investors, state industrial development corporations, insurance Companies, pension funds and provident funds, domestic individual investors, domestic Companies or firms), whether by way of a public offering or by way of a private placement and whether by way of circulation of an offering circular or placement document or otherwise, securities including equity shares / warrants and / or instruments or securities convertible into equity shares of the Company such as Global Depository Receipts and / or American Depository Receipts and / or convertible preference shares and / or convertible debentures or bonds (compulsorily and / or optionally, fully and / or partly), and / or non-convertible debentures with warrants and / or securities with or without detachable / non-detachable warrants and / or warrants with a right exercisable by the warrant holder to subscribe for equity shares, or by any one or more or a combination of the above model / methods or otherwise, resulting in the issue of upto Rs. 300,00,00,000/- (Rupees three hundred crores only) equity shares having face value of Rs. 2/- each (hereinafter referred to as "Securities"), amounting to an increase in the paid-up equity share capital of the Company, by such an amount which corresponds to the final decision, to be determined by the Board, to be denominated in Indian rupees or foreign currency, as the case may be, which, at the option of the Company or the holders of the Securities, may be surrendered for the purpose of cancellation against receipt of corresponding number of underlying equity shares of the Company, as the case may be, and such issue and allotment to be made in one or more tranches, on such terms and conditions as may be decided and deemed appropriate by the Board at the time of issue or allotment."

"Resolved further that without prejudice to the generality of the above and subject to all applicable laws, the aforesaid issue of Securities may have all or any terms or combination of terms as are provided in issue of securities of such nature domestically or internationally including terms relating to surrender of the Securities for the purposes of cancellation against receipt of the corresponding number of underlying equity shares and the Company be and is hereby authorized to enter into and execute all such arrangements / agreements as the case may be with any lead managers, managers, underwriters, advisors, guarantors, depositories, custodians and all such agencies as may be involved or concerned in such offerings of Securities and to remunerate all such agencies including the payment of commissions, brokerage, fees or the like, and also to seek the listing of such Securities in one or more stock exchanges in India or abroad."

"Resolved further that the Board be and is hereby authorized to finalise and approve the offering circular / placement document for the proposed issue of the Securities and to authorize any director or directors of the Company or any other officer or officers of the Company to sign the above documents for and on behalf of the Company together with the authority to amend, vary or modify the same as such authorized persons may consider

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necessary, desirable or expedient and for the purpose aforesaid to give such declarations, affidavit certificates, consents and / or authorities as may, in the opinion of such authorized person, be required from time to time, and to arrange for the submission of the offering circular / placement document, and any amendments and supplements thereto, with any applicable stock exchanges (whether in India or abroad), government and regulatory authorities, institutions or bodies, as may be required."

"Resolved further that the Securities issued in foreign markets shall be treated to have been issued abroad and / or in the international market and / or at the place of issue of the Securities in the international market and may be governed by applicable foreign laws."

"Resolved further that the Board be and is hereby authorized to issue and allot such number of equity shares as may be required to be issued and allotted for the issue of the Securities referred above or as may be necessary in accordance with the terms of the offering, all such equity shares being pari passu with the existing equity shares of the Company in all respects."

"Resolved further that the Board be and is hereby authorized to do such acts, deeds and things as the Board in its absolute discretion deems necessary or desirable in connection with the issue of the Securities and to give effect to these resolutions, including, without limitation, the following :

- i. sign, execute and issue all documents necessary in connection with the issue of Securities, including listing applications to stock exchanges (whether in India or abroad) and various agreements, undertakings, deeds, declarations;
- ii. giving or authorizing the giving by concerned persons of such declarations, affidavits, certificates, consents and authorities as may be required from time to time; and
- iii. settling any questions, difficulties or doubts that may arise in regard to any such issue or allotment of Securities as it may in its absolute discretion deem fit."

"Resolved further that the Board be and is hereby authorized to delegate all or any of the powers herein conferred to any Committee of Directors or Director(s) or any other officer or officers of the Company and to correct any errors or omissions, in the proposed resolution and to give effect to the foregoing resolutions."

10. Borrowing Powers :

Proposed by Mr. Mueed Khader and seconded by Mr. Dr. B Ashok, a shareholder, the following resolution was passed unanimously, as a special resolution:

"Resolved that the Board of Directors (hereinafter referred to as "the Board" which term shall be deemed to include any Committee which the Board may constitute for this purpose), be and is hereby authorized, in accordance with Section 293(1) (a) and (d) of the Companies Act, 1956 (including any statutory modification or re-enactment thereof for the time being in force) and the Articles of Association of the Company, to borrow any sum or sums of money (including non fund based facilities) from time to time at their discretion, for the purpose of the business of the Company from any one or more Banks, Financial Institutions and other persons, firms, bodies corporate, notwithstanding that the monies to be borrowed together with the monies already borrowed by the Company (apart from temporary loans obtained from the Company's Bankers in the ordinary course of business) may, at any time, exceed the aggregate of the paid up share capital of the Company and its free reserves that is to say reserves not set apart for any specific purposes) provided that the total borrowings shall not at any time exceed in the aggregate an amount of Rs. 10,00,00,00,000/- (Rupees one thousand crore) and that the Board of Directors be and is hereby empowered and authorized

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to arrange or fix the terms and conditions of all such monies to be borrowed from time to time as to interest, repayment, security or otherwise as they may, in their absolute discretion, think fit."

"Resolved further that for the purpose of giving effect to this resolution, the Board be and is hereby authorized to do all such acts, deeds, matters and things as it may in its absolute discretion deem necessary, proper, or desirable and further authorized to mortgage or create charge on the assets of the Company and to settle any question, difficulty, doubt that may arise in respect of the borrowing(s) aforesaid and further to do all such acts, deeds, and things and to execute all documents and writings as may be necessary, proper, desirable or expedient in this regard and to correct any errors or omissions, in the proposed resolution and to give effect to the foregoing resolutions."

11. Register of directors' shareholdings:

The Chairman invited the attention of member – shareholders to the Register of directors' shareholdings which was kept open for inspection, during the meeting.

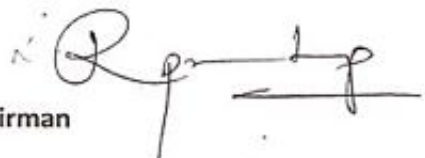
12. Vote of thanks:

There being no other business, Mr. Mueed Khader, director, proposed a vote of thanks to the directors, shareholders and invitees.

Place : Bangalore

Date : December 30, 2010.

Chairman



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