

S. JANARDHAN & ASSOCIATES
CHARTERED ACCOUNTANTS

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REVIEW REPORT

We have reviewed the accompanying statement of unaudited financial results of M/s. Cranes Software International Limited, Bengaluru for the 2nd quarter ended September 30th, 2011 except for the disclosures regarding the 'public share holding' and 'promoters and promoters group holding' which have been traced from disclosures made by the Management which have not been reviewed by us. In respect of the financial results of foreign subsidiary companies where we are not the auditors, we have not received any review report from the respective auditors and we have not carried out any review of the same. The consolidated statements are compiled and we have relied upon the information provided by the management. In regard to other Indian Subsidiary Companies included in the Consolidated Results, we have undertaken a Limited Review.

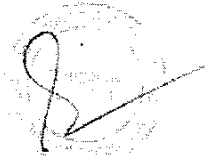
The statement published is the responsibility of the Company's management and has been approved by the Board of Directors. Our responsibility is to issue a review report wherever applicable on this financial statement based on our review.

We conducted our review in accordance with the standard on Review Engagement (SRE) 2400; "Engagements to Review Financial Statements" 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 financial statements are free of material misstatements. Our review is limited primarily to inquiries of the Company personnel and analytical procedures applied to financial data and thus provide less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.



Based on our review conducted as above, we comment as under:

1. The above referred statements have been adopted prepared, as per practice, under the assumption of "Going Concern". However, the conditions mentioned below and reported earlier for the year ended 31st March, 2010, 31st March, 2011, are still remaining and continuing mainly in respect of parent Company M/s Cranes software international Limited, Bangalore. In view of the same we are not confirmed with the Company's ability to continue as a 'Going Concern'.
2. There are undisputed statutory dues including dues on current year's transactions, on account of Provident Fund Contribution, Income Tax, Service tax, Sales tax, Dividend and Dividend Tax and the like not deposited by the Company in favor of the respective statutory authorities.
3. There are over due amounts to banks and other lending institutions, including unsecured Foreign Currency Bond Holders. In some cases, such institutions and parties said to represent such creditors, have initiated steps for recovery of dues.
4. There are overdue amounts due to Service Providers / Suppliers for Value received. In some cases, such entities have initiated steps for recovery of dues and they have already cancelled the distributorship. Again, we are informed that settlements with revised schedule of payments have been reached with some of these parties and not many significant payments have come to our knowledge.
5. Confirmations of balances are not obtained from the Debtors outstanding. This is all the more relevant in the context of substantial amounts regarded as Debtors out standings. Against these debtors no legal action or any other recovery steps have been initiated by the Company. Further on our limited review, we have not come across any collections from these debtors and no provision for doubtful debts has been made by the company in spite of these debtors being time barring.
6. Earnings in foreign exchanges are not realized in time within periods stipulated under FEMA and no extension of time obtained from authorities has been furnished to us for our verification.

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7. There is substantial amount regarded as debtors and advances recoverable by way of Value to be received as on the Date of Review; the veracity of such advances, nature of the transaction and the reliability of these in terms of Value to be received are yet to be satisfactorily established. Hence, the impact on the Profit and Loss position of possible adjustments is yet to be established.
8. Under the provisions of section 274(1)(g)(B) of the Companies Act, 1956, the directors are being disqualified for appointment or reappointment by any company on account of nonpayment of dividend beyond the one year form the due date of payment of dividend declared and approved in AGM dated 29th September, 2009.)

Subject to the above, we believe that the accompanying statement of unaudited financial results has disclosed the information required to be disclosed in terms of Clause 41 of the Listing Agreement including the manner in which it is to be disclosed and that it contains no material misstatement.

PLACE: BENGALURE
DATE: 12.11. 2011



For S. JANARDHAN & ASSOCIATES
CHARTERED ACCOUNTANTS

(CA BALAKRISHNA S. BHAT)
PARTNER