



# CS SUPRIYA KUMAR GUHA

## COMPANY SECRETARY IN PRACTICE

### **Secretarial compliance report of Cranes Software International Limited (CIN: L05190KA1984PLC031621) For the year ended March 31, 2023**

I have conducted the review of the compliance of the applicable statutory provisions and the adherence to good corporate practices by Cranes Software International Limited (CIN: L05190KA1984PLC031621) (hereinafter referred as 'the listed entity'), having its Registered Office at No. 82, Presidency Building, 3<sup>rd</sup> & 4<sup>th</sup> Floor, St Marks' Road Bangalore 560001.

The Secretarial Review was conducted in a manner that provided me with a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the listed entity's books, papers, minutes books, forms and returns filed and other records maintained by the listed entity and also the information provided by the listed entity, its officers, agents and authorized representatives during the conduct of Secretarial Review, I hereby report that in our opinion, the listed entity has, during the review period covering the financial year ended as on March 31, 2023, complied with the statutory provisions listed hereunder and also that the listed entity has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

I have examined:

- a. all the documents and records made available to me and explanation provided by the listed entity.
- b. the filings/ submissions made by the listed entity to the stock exchanges,
- c. website of the listed entity - <https://www.cranessoftware.com>
- d. any other document/ filing, as may be relevant, which has been relied upon to make this certification, for the year ended March 31, 2023 ("Review Period") in respect of compliance with the provisions of:
  - i. the Securities and Exchange Board of India Act, 1992 ("SEBI Act") and the Regulations, circulars, guidelines issued thereunder; and
  - ii. the Securities Contracts (Regulation) Act, 1956 ("SCRA"), rules made thereunder and the Regulations, circulars, guidelines issued thereunder by the Securities and Exchange Board of India ("SEBI");

The specific Regulations, whose provisions and the circulars/ guidelines issued thereunder, have been examined, include:-

- a. Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;

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- b. Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
- c. Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- d. Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018;
- e. Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;
- f. Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
- g. Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021;
- h. Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- i. Securities Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding dealing with client;

I hereby report that, during the Review Period the compliance status of the listed entity is appended as below:

Sl. No.	Particulars	Compliance Status (Yes/ No/ NA)	Observation/ Remarks by PCS
1.	<b>Secretarial Standards</b> The compliances of the listed entity are in accordance with the applicable Secretarial Standards (SS) issued by the Institute of Company Secretaries India (ICSI)	Yes, the compliances of the listed entity are in accordance with the applicable Secretarial Standards (SS) issued by the Institute of Company Secretaries India (ICSI) <input type="checkbox"/>	The Company is compliant so far it appears from the examination of the documents produced to us. Evidence has not been produced whether the Minutes of Board meetings were circulated to the directors for their comments.
2.	<b>Adoption and timely updation of the Policies:</b> All applicable policies under SEBI Regulations are adopted with the approval of board of directors of the listed entities	Yes, all the applicable policies under SEBI Regulations are adopted with the approval of board of directors of the listed entities	-
	All the policies are in conformity with SEBI Regulations and have been reviewed & updated on time, as per the	Yes, all the policies are in conformity with SEBI Regulations and have been reviewed &	-

	regulations /circulars/guidelines issued by SEBI	updated on time, as per the regulations /circulars/guidelines issued by SEBI	
3.	<p><b>Maintenance and disclosures on Website:</b></p> <ul style="list-style-type: none"> <li>The Listed entity is maintaining a functional website.</li> <li>Timely dissemination of the documents/information under a separate section on the website</li> <li>Web-links provided in annual corporate governance reports under Regulation 27(2) are accurate and specific which re- directs to the relevant document(s)/ section of the website</li> </ul>	<p>Yes, the Company has a functioning website and there is timely dissemination of the documents/information under a separate section on the website along with the Web-links provided in annual corporate governance reports under Regulation 27(2) are accurate and specific which re- directs to the relevant document(s)/ section of the website</p>	-
4.	<p><b>Disqualification of Director:</b> None of the Director of the Company are disqualified under Section 164 of Companies Act, 2013</p>	<p>None of the Director(s) of the Company is/ are disqualified under Section 164 of Companies Act, 2013 as confirmed by the listed entity.</p>	-
5.	<p><b>Details related to Subsidiaries of listed entities have been examined w.r.t.:</b></p> <ul style="list-style-type: none"> <li>Identification of material subsidiary companies</li> <li>Disclosure requirement of material as well as other subsidiaries</li> </ul>	<p>The Company has one material subsidiary namely Cranes Varsity Private Limited.</p> <p>The subsidiaries accounts and all material transactions are disclosed to the Audit Committee</p>	
6.	<p><b>Preservation of Documents:</b> The listed entity is preserving and maintaining records as prescribed under SEBI Regulations and disposal of records as per Policy of Preservation of Documents and Archival policy prescribed under SEBI LODR Regulations, 2015.</p>	<p>Yes, the listed entity is preserving and maintaining records as prescribed under SEBI Regulations and disposal of records as per Policy of Preservation of Documents and</p>	-

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		Archival policy prescribed under SEBI LODR Regulations, 2015.	
7.	<p><b>Performance Evaluation:</b> The listed entity has conducted performance evaluation of the Board, Independent Directors and the Committees at the start of every financial year as prescribed in SEBI Regulations</p>	Yes, the listed entity has conducted performance evaluation of the Board, Independent Directors and the Committees at the start of every financial year/during the financial year as prescribed in SEBI Regulations.	-
8.	<p><b>Related Party Transactions:</b></p> <ul style="list-style-type: none"> <li>• The listed entity has obtained prior approval of Audit Committee for all related party transactions; or</li> <li>• The listed entity has provided detailed reasons along with confirmation whether the transactions were subsequently approved/ratified/rejected by the Audit Committee, in case no prior approval has been obtained.</li> </ul>	Yes, the listed entity has obtained prior approval of Audit Committee for all related party transactions	-
9.	<p><b>Disclosure of events or information:</b> The listed entity has provided all the required disclosure(s) under Regulation 30 along with Schedule III of SEBI LODR Regulations, 2015 within the time limits prescribed thereunder.</p>	Yes, the listed entity has provided all the required disclosure(s) under Regulation 30 along with Schedule III of SEBI LODR Regulations, 2015 within the time limits prescribed thereunder.	-
10.	<p><b>Prohibition of Insider Trading:</b> The listed entity is in compliance with Regulation 3(5) &amp; 3(6) SEBI (Prohibition of Insider Trading) Regulations, 2015</p>	Yes, the listed entity is in compliance with Regulation 3(5) & 3(6) SEBI (Prohibition of Insider Trading) Regulations, 2015	-

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11.	<p><b>Actions taken by SEBI or Stock Exchange(s), if any:</b> No Actions taken against the listed entity/ its promoters/ directors/ subsidiaries either by SEBI or by Stock Exchanges (including under the Standard Operating Procedures issued by SEBI through various circulars) under SEBI Regulations and circulars/ guidelines issued thereunder</p>	<p>No action(s) has been taken against the listed entity/ its promoters/ directors/ subsidiaries either by SEBI or by Stock Exchanges (including under the Standard Operating Procedures issued by SEBI through various circulars) under SEBI Regulations and circulars/ guidelines issued thereunder except as provided under separate paragraph herein.*</p>	-
12.	<p><b>Additional Non-compliances, if any:</b></p>	Yes	<p>No additional non-compliance observed for any SEBI regulation/ circular/ guidance note etc except for the non-compliance noted below in point A.</p>

A. Additional Non- Compliance by the listed entity.

Sl. No.	Compliance requirement (Regulations/ circulars/ guidelines including specific clause)	Deviations	Observations/ Remarks of practicing Company Secretary
1.	Regulation 24A of SEBI (LODR) – Annual Secretarial Compliance Report	Report Filed late with the Exchange with a delay of 31 days.	This report was subsequently filed. Management needs to be fully conversant with the various changes being made in the regulation(s).
2.	Regulation 33(3)(a) – Submission of Quarterly result	Quarterly result for the quarter ended December 31, 2022 was filed late with a delay of 34 days on March 21, 2023.	This report was subsequently filed. We were given to understand that the delay was due to late receipt of foreign subsidiaries accounts.

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3.	Regulation 34 – Submission of Annual Report	Delay in filing Annual Report to BSE by 8 days	This was inadvertent delay in filing the Annual Report to BSE. Management needs to be more conversant with the timeline. The BSE had also levied a fine on the Company which was duly paid by the Company.
4.	Regulation 6(1) – appointment of a qualified company secretary as the compliance officer	Delay of 51 days in appointment of a Company Secretary as the compliance officer of the Company	The Management has informed that the existing Company Secretary had unfortunately passed away and even after the best efforts the Company were not able to find the right candidate to fill the vacancy created in the officer of the Company Secretary and once the right candidate was found the company immediately filled the vacancy of the office of Company Secretary. Further there was a fine levied by the BSE which was duly paid by the Company
5.	Regulation 31(1)(b) - Disclosure of Shareholding Pattern	Delay of 61 days in filing the statement of shareholding by the Company	The Company had inadvertently missed the filing of the shareholding pattern of the Company as the Company Secretary was not present, subsequently the Company rectified the issue and there was fine levied by the BSE and the Company had paid the said fine.

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6.	Regulation 76 (1) SEBI (DAP) Regulation, 2018 - Reconciliation of share capital audit report	Delay in filing the Reconciliation of Share capital Audit report for a period of 51 days.	The Company had inadvertently missed the filing of the Reconciliation of share capital audit report of the Company as the Company Secretary was not present, subsequently the Company rectified the issue and no fines were imposed by the BSE.
7.	Regulation 23 (9) – Disclosures of related party transactions	Delay in filing the disclosures of related party transactions for the half year ended March 31, 2022 for a period of 15 days.	The Company had inadvertently missed the filing of the Disclosures of related party transactions and there was fine levied by the BSE and the Company had paid the said fine.

- B. The reporting of clause 6(A) and 6(B) of the circular No. CIR/CFD/CMD1/114/2019 dated October 18, 2019 issued by the Securities and Exchange Board of India on "Resignation of statutory auditors": **No such event has taken place during the year.**
- C. (\*)The listed entity has complied with the provisions of the above Regulations and circulars/ guidelines issued thereunder, except in respect of matters specified below:

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Sl. No.	Compliance Requirement (Regulations/ circulars/ guidelines including specific clause)	Regulation/ Circular No.	Deviations	Action Taken by	Type of Action	Details of Violation	Fine Amount	Observations/ Re-marks of the Practicing Company Secretary
1.	Non compliance with disclosure of related party transactions on Consolidated basis.	Regulation 23 (9)	Delay in filing the report by	BSE Limited	Levy of Fines	Non-compliance with disclosure of related party transactions for the half year ended March 2022	INR 75,000/- plus 18% GST aggregating to INR 88,500/-	We were given to understand that this was inadvertently missed out
2.	Non-compliance with requirement to appoint a qualified company secretary as the compliance officer	Regulation 6(1)	Delay in appointing a Company Secretary of the Company	BSE Limited	Levy of Fines	The Company had failed to fill the vacancy in the office of Company Secretary.	INR 51,000/- plus 18% GST aggregating to INR 60,180/-	We were given to understand that the company's search for a good and appropriate candidate for this position took time to fill in.
3.	Non submission of the Annual Report within the period prescribed under this regulation	Regulation 34	Delay in filing Annual Report to BSE by 8 days	BSE Limited	Levy of Fines	There was a delay of 8 days in filing the Annual report of the Company with the BSE	INR 16,000/- plus 18% GST aggregating to INR 18,880/-	We were given to understand that this was inadvertently delayed.
4.	Non submission of the financial results within the period prescribed under this regulation	Regulation 33	Delay in filing the un-audited quarterly financials of quarter ended	BSE Limited	Levy of Fines	The Company had delayed the filing of un-audited quarterly financials of quarter	INR 1,40,000/- plus 18% GST aggregating to INR 1,65,200/-	We were given to understand that the delay was due to late receipt of foreign



			December 31, 2022			ended December 31, 2022 for period of 34 days		subsidiaries accounts.
5.	Non-submission of shareholding pattern within the period prescribed	Regulation 31	Delay in filing the shareholding pattern of the Company for the quarter ended June 2022	BSE Limited	Levy of Fines	The Company had delayed the filing of shareholding pattern of the Company for the quarter ended June 2022.	INR 64,000/- plus 18% GST aggregating to INR 75,520/-	We were given to understand that this was inadvertently delayed.
6.	Non-submission of reclassification of any person as promoter/public.	Regulation 31A	Delay in filing the reclassification of any person as promoter/public.	BSE Limited	Levy of Fines	BSE has stated that the Company has delayed in filing the reclassification of any person as promoter/public.	INR 84,000/- plus 18% GST aggregating to INR 99,120/-	The Company has informed us that even though the fine was paid by the company, there was no re-classification of Promoters shareholding during that period and the Company has taken up the matter with BSE. The outcome is still awaited.

D. The listed entity has taken the following actions to comply with the observations made in previous reports:

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Sl. No.	Compliance Requirement (Regulations/ circulars/ guidelines including specific clause)	Regulation/ Circular No.	Deviations	Action Taken by	Type of Action	Details of Violation	Fine Amount	Observations/ Re-marks of the Practicing Company Secretary
1.	Annual Secretarial Compliance Report	Regulation 24A	Report Filed late with the Exchange with a delay of 62 days.	NA	NA	Report Filed late with the Exchange with a delay of 62 days.	NA	No Fines were imposed by the exchange
2.	Submission of Audited Financials	Regulation 33	Audited Financials were filed with BSE with a delay of 42 days on August 11, 2021	NA	NA	Audited Financials were filed with BSE with a delay of 42 days on August 11, 2021	NA	No Fines were imposed by the exchange
3.	Submission of Quarterly result	Regulation 44	Quarterly result for the quarter ended June 30, 2021 was filed late with a delay of 12 days on August 26, 2021.	NA	NA	Quarterly result for the quarter ended June 30, 2021 was filed late with a delay of 12 days on August 26, 2021.	NA	No Fines were imposed by the exchange
4.	Submission of Annual Report	Regulation 34	Delay in filing Annual report to BSE by 6 days	BSE Limited	Levy of Fines	Delay in filing Annual report to BSE by 6 days	INR 10,000/- plus 18% GST aggregating to INR 11,800/-	The Fine was duly paid by the Company.
5.	Submission of RPT	Regulation 23 (9)	Delay in filing disclosures of Related Party Transactions (RPTs) by 16 days	BSE Limited	Levy of Fines	Delay in filing disclosures of Related Party Transactions (RPTs) by 16 days	INR 85,000/- plus 18% GST aggregating to INR 1,00,300/-	The Fine was duly paid by the Company.



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**Note:** The Company had delayed the payment of the Annual listing fees to Bombay Stock Exchange last year. The same was paid by the Company at a later date.

### **Assumptions & Limitation of scope and Review:**

1. Compliance of the applicable laws and ensuring the authenticity of documents and information furnished, are the responsibilities of the management of the listed entity.
2. Our responsibility is to certify based upon our examination of relevant documents and information. This is neither an audit nor an expression of opinion.
3. We have not verified the correctness and appropriateness of financial Records and Books of Accounts of the listed entity. This was not within our scope.
4. This Report is solely for the intended purpose of compliance in terms of Regulation 24A (2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and is neither an assurance as to the future viability of the listed entity nor of the efficacy or effectiveness with which the management has conducted the affairs of the listed entity.
5. This report has been issued based on the events occurred up to March 31, 2023. Further the report does not cover any events occurred post the reporting period up to the date of signing.

**Supriya Kumar Guha**  
**Practicing Company Secretary**

**FCS No. 2625:**

**CoP No.: 14795**

*A Peer review Unit of ICSI*  
(Certificate no. 3524/2023)

Place: Bengaluru

Date: 7<sup>th</sup> June 2023

UDIN: F002625E000465780