



ACS TECHNOLOGIES LIMITED

(Formerly LN INDUSTRIES INDIA LIMITED)

30TH ANNUAL REPORT

FINANCIAL YEAR 2022-23

BOARD OF DIRECTORS

1. Mr. Ashok Kumar Buddharaju - Chairman and Managing Director
2. Mrs. Anitha Alokam - Non-Executive Director
3. Mrs. Ramadevi - Non-Executive Director

Key Managerial Personnel

Mr. Prabhakara Rao Alokam - Chief Financial Officer

COMPANY SECRETARY & COMPLIANCE OFFICER:

Mr. P.V Nagarjuna - Company Secretary

REGISTERED OFFICE:

Level-7, Pardha Picasa Building, Madhapur
Durgam Cheruvu road, Hyderabad-500081
Telangana, India.

Phone: 040- 49034464

Email: csacsfcsgmail.com
accounts@acstechnologies.co.in

ANNUAL GENERAL MEETING

Day : Saturday
Date : 30th September, 2023
Time : 12.00 PM

STATUTORY AUDITORS

M/s. Gorantla & Co.
Chartered Accountants, Hyderabad

BANKERS

HDFC Bank Limited
Banjarahills Branch, Hyderabad

Book Closure

24th September 2023 to 30th September 2023

REGISTRARS AND SHARE TRANSFER AGENTS

Skyline Financial Services Pvt. Ltd.
A/505, Dattani Plaza, Andheri
Kurla Road, Safeed Pool,
Mumbai-400072.

Contact: 022 - 49721245

Email: subhashdhingreja@skylinerta.com

To,
The Members and Directors

Notice is hereby given that 30TH Annual General Meeting of the Members of ACS TECHNOLOGIES LIMITED(Formerly LN Industries India Limited) will be held on Friday 30th September 2023 at 12.00 pm at Registered office of the Company at Pardha Picasa Level 7,Durgam Cheruvu Road, Madhapur Madhapur, Hyderabad - 500081 to transact the following business.

ORDINARYBUSINESS

- 1. To receive, consider and adopt the Audited financial Statements of the company for the financial year ended March 31, 2023 the Reports of the Board of directors and Auditors thereon.**

“RESOLVED THAT the audited financial statements of the company for the financial year ended March 31, 2023 and the reports of the Board of Directors and Auditors thereon laid before this meeting, be and hereby considered and adopted.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized for and on behalf of the Company to take all necessary steps and to do all such acts, deeds, matters and things which may deem necessary in this behalf.”

RESOLVED FURTHER THAT the any Director & Key Managerial Personnel of the Company be and hereby severally authorised to do all such acts, deeds, matters and things as may be considered necessary, usual or expedient, to give effect to the aforesaid resolution.”

- 2. To reappoint Mrs. Anitha Alokam (DIN 07309591) as Director, who retires by rotation.**

“RESOLVED THAT pursuant to the provisions of the Section 152 of the Companies Act, 2013, Mrs. Anitha Alokam (DIN 07309591), who retire by rotation at this meeting and being eligible has offered herself for re-appointment, be and is hereby re-appointed as a Director of the Company, liable to retire by rotation.

RESOLVED FURTHER THAT any director of the Company be and is here by authorised to do all such acts, deeds and actions as may be necessary, proper or expedient to give effect to this resolution.”

RESOLVED FURTHER THAT the any Director & Key Managerial Personnel of the Company be and hereby severally authorised to do all such acts, deeds, matters and things as may be considered necessary, usual or expedient, to give effect to the aforesaid resolution.”

3. To reappoint Statutory Auditors from the conclusion of this Annual General Meeting until the conclusion of the Sixth consecutive Annual General Meeting and to fix their remuneration:

“RESOLVED THAT pursuant to Sections 139, 142 of the Companies Act, 2013 (“Act”) and other applicable provisions, if any, of the said Act and Companies (Audit and Auditors) Rules, 2014 made thereunder and other applicable rules, if any, under the said Act (including any statutory modification(s) or re-enactment thereof for the time being in force) M/s. GORANTLA & Co., Chartered Accountants (Registration No: 16943S), be and is hereby appointed as the Statutory Auditors of the Company commencing from the conclusion of the Annual General Meeting till the conclusion of Sixth consecutive Annual General Meeting at a remuneration to be fixed by the Audit Committee and/or Board of Directors of the Company, in addition to the re-imbursment of applicable taxes and actual out of pocket and travelling expenses incurred in connection with the audit and billed progressively.”

Special Business

4. Appointment of Mr. SRINIVASAN NETI as Independent director for the period of five years from the conclusion of this Annual General Meeting.

“RESOLVED THAT Mr. SRINIVASAN NETI (DIN: 02677073), who is eligible for appointment and has consented to act as a Director of the Company and in respect of whom the Company has received a notice in writing from a Member under Section 160 of the Act proposing his candidature for the office of Director of the Company, be and is hereby appointed a Director of the Company.

RESOLVED FURTHER THAT pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any, of the Act, and the Rules framed there under read with Schedule IV to the Act, as amended from time to time, Mr. Srinivasan Neti, a non-executive Director of the Company, who meets the criteria for independence as provided in Section 149(6) of the Act and who is eligible for appointment be and is hereby appointed an Independent Director of the Company, not liable to retire by rotation, for a term of five years commencing with effect from 30th September 2023 to 29th September 2028.”

RESOLVED FURTHER THAT the any Director & Key Managerial Personnel of the Company be and hereby severally authorised to do all such acts, deeds, matters and things as may be considered necessary, usual or expedient, to give effect to the aforesaid resolution.”

5. Appointment of Mr. CHALAGALLA VENKATA SATYANARAYANA MURTHY as Independent director for the period of five years from the conclusion of this Annual General Meeting.

“RESOLVED THAT Mr. CHALAGALLA VENKATA SATYANARAYANA MURTHY (DIN: 01830388), who is eligible for appointment and has consented to act as a Director of the Company and in respect of whom the Company has received a notice in writing from a Member under Section 160 of the Act proposing his candidature for the office of Director of the Company, be and is hereby appointed a Director of the Company.

RESOLVED FURTHER THAT pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any, of the Act, and the Rules framed there under read with Schedule IV to the Act, as amended from time to time, Mr. CHALAGALLA VENKATA SATYANARAYANA MURTHY, a non-executive Director of the Company, who meets the criteria for independence as provided in Section 149(6) of the Act and who is eligible for appointment be and is hereby appointed an Independent Director of the Company, not liable to retire by rotation, for a term of five years commencing with effect from 30th September 2023 to 29th September 2028.”

RESOLVED FURTHER THAT the any Director & Key Managerial Personnel of the Company be and hereby severally authorised to do all such acts, deeds, matters and things as may be considered necessary, usual or expedient, to give effect to the aforesaid resolution.”

6. Appointment of Chairman and Managing Director for the period of five years

“**RESOLVED THAT** pursuant to provisions of sections 196, 197, 198, 203 and all other applicable provisions, if any, of the Companies Act, 2013 (“the Act”) read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and Schedule V of the Companies Act, 2013, approval of the Company be and is hereby accorded to the appointment of Shri. Ashok Kumar Buddharaju(DIN: 03389822) as the Chairman and Managing Director of the Company for a period of five years with effect from May 30, 2023 to May 29,2028 upon the terms and conditions including remuneration payable to him as set out in the explanatory statement annexed to the Notice convening this meeting, with liberty to the Board to alter and vary the terms and conditions of the said appointment including remuneration in such manner as may be agreed between the Board and Shri . Ashok Kumar Buddharaju.

RESOLVED FURTHER THAT the remuneration payable to Shri . Ashok Kumar Buddharaju, shall not exceed the overall ceiling of the total managerial remuneration as provided under section 197 and Schedule V of the Companies Act, 2013 or such other limits as may be prescribed from time to time.

RESOLVED FURTHER THAT the any Director & Key Managerial Personnel of the Company be and hereby severally authorised to do all such acts, deeds, matters and things as may be considered necessary, usual or expedient, to give effect to the aforesaid resolution.”

**By order of the Board
For ACS TECHNOLOGIES LIMITED**

**Ashok Kumar Buddharaju
Chairman and Managing Director
DIN : 03389822**

**Date: 05/09/2023
Place: Hyderabad**

NOTES:

1. The relevant details as required under Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”), of the person seeking re-appointment as Directors, are also annexed.
2. **A member entitled to attend and vote at the annual general meeting is entitled to appoint another person as a proxy to attend and vote, on his/her behalf in the meeting and such person can act as a proxy on behalf of members of the company not exceeding fifty and holding in aggregate not more than ten percent of the total share capital of the company member holding more than ten percent of the total share capital of the company carrying voting rights may appoint a single person as proxy and such person shall not act as proxy for any other person or shareholder. A proxy need not be a member of the company.**
3. The instrument appointing the Proxy, duly completed must be deposited at the Company’s Registered Office not less than 48 hours before the commencement of the meeting. A Proxy form for the Annual General Meeting is enclosed.
4. During the period beginning 24 hours before the time fixed for the commencement of the meeting and ending with the conclusion of the meeting, a member would be entitled to inspect the proxies lodged at any time during the business hours of the Company, provided that not less than three days of notice in writing is given to the Company.
5. Members/Proxies should bring the duly filled Attendance Slip enclosed herewith to attend the meeting.
6. Pursuant to the provisions of section 91 of the Companies Act, 2013, the Register of Members and Share Transfer Books of the Company will remain closed from 24th September 2023 to 30th September 2023 (both days inclusive) for the purpose of the Annual General Meeting.
7. The Company’s Registrar and Transfer Agents (RTA) for its share registry (both, physical as well as electronic) is M/s skyline Financial Services Pvt. Ltd. A/505, Dattani Plaza, Andheri Kurla Road, Safed Pool, Mumbai- 400072.
8. Members who are holding shares in electronic mode are requested to intimate any change in their address or bank mandates to their Depository Participants (DPs) with whom they are maintain their demat accounts. Members holding shares in physical mode are requested to advice any change in their address or bank mandates to the Company/ Aarthi Consultants Private Limited (RTA).
9. Corporate members intending to send their authorized representative(s) to attend the meeting are requested to send to the company a certified true copy of the relevant Board resolution together with the specimen signature(s) of the representative(s) authorised under the said Board Resolution to attend and vote on their behalf at the meeting.
10. To support the ‘Green Initiative’, members, who have not registered their e-mail addresses so far, are requested to register their e-mail address for receiving all communication including Annual Report, Notices, and Circulars etc. from the Company electronically.

11. Members may also note that the Notice of the Annual General Meeting and the Annual Report 2023 will also be available on the Company's website <http://www.acstechnologies.co.in> The physical copies of the aforesaid documents will also be available at the Company's Registered Office for inspection during normal business hours on working days. Members who require communication in physical form in addition to e-communication, or have any other queries, may write to us at csacsfcs@gmail.com
12. Members seeking any information with regard to the accounts, are requested to write to the Company at an early date, so as to enable the Management to keep the information ready at the AGM.
13. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company or our Registrar & Transfer Agents.
14. To avoid fraudulent transactions, the identity/signature of the members holding shares in electronic form is verified with the specimen signatures furnished by NSDL/CDSL and that of members holding shares in physical form is verified as per the records of the share transfer agent of the Company. Members are requested to keep the same updated.
15. Members holding shares in physical form, in identical order of names, in more than one folio are requested to send to the Company, the details of such folios together with the share certificates for consolidating their holdings in one folio. A consolidated share certificate will be issued to such Members after making requisite changes.
16. Members, who still hold share certificates in physical form are advised to dematerialise their shareholding to avail the numerous benefits of dematerialisation, which include easy liquidity, ease of trading and transfer, savings in stamp duty and elimination of any possibility of loss of documents and bad deliveries.
17. Members/Proxies/Authorized representatives are requested to bring the copies of annual reports and attendance slips to the meeting, if the same are received in physical form.
18. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014, and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to offer e-voting facility to the members to cast their votes electronically on all resolutions set forth in the Notice convening the Annual General Meeting to be held on Saturday, September 30th 2023, at 12.00 pm The Company has engaged the services of Central Depository Services Limited (CDSL) to provide the e-voting facility: The e-voting facility is available at the link <http://www.evotingindia.com/>
19. The facility for voting through poll shall be made available at the AGM, to all the members attending the AGM, who have not opted e-voting facility. Further, the members who have opted e-voting facility may also attend the AGM but shall not be entitled to cast their vote again at the AGM.
20. E-voting commences on September 27th 2023 at 9:00 A.M. and will end at September 29th 2023 at 5:00 P.M. and at the end of e-voting period, the facility shall forthwith be blocked.
21. The Detailed instructions on remote e-voting is made part of a separate sheet "Instructions for e-voting" attached to this Notice.

22. All documents referred to in the accompanying Notice and the Statement pursuant to Section 102(1) of the Companies Act, 2013, will be available for inspection in physical or electronic form at the Registered Office of the Company during business hours on all working days upto the date of declaration of the result of the 29th Annual General Meeting of the Company and the copies thereof shall also be made available for inspection in physical or electronic form at the Registered Office of the Company and also at the meeting.

Explanatory statement under section 102 of the companies act 2013

Special Business

Item No:-4 & 5

Appointment of Shri. SRINIVASAN NETI and Shri. CHALAGALLA VENKATA SATYANARAYANA MURTHY as Independent director for the period of five years from the conclusion of this Annual General Meeting.

Board on its meeting held on 05th September 2, 2023 made recommendation for the appointment of Shri. Srinivasan Neti and Shri Chalagalla Venkata Satyanarayana Murthy as director who acts as independently.

His association would be very beneficial to the Company and it is desirable to appoint him as an Independent Director. In the opinion of the Board, Shri. Srinivasan Neti and Shri Chalagalla Venkata Satyanarayana Murthy is Independent from the management and that he fulfils the condition specified in the Companies Act 2013 ("Act") and the Rules for appointment as an Independent Director.

The Company has received a declaration of independence from Shri. Srinivasan Neti and Shri Chalagalla Venkata Satyanarayana Murthy. In the opinion of the Board, Shri. Srinivasan Neti and Shri Chalagalla Venkata Satyanarayana Murthy fulfills the conditions specified in the Companies Act, 2013, for appointment as Independent Director of the Company. A copy of the draft Letter of Appointment for Independent Directors, setting out terms and conditions of appointment of Independent Directors is available for inspection at the Registered Office of the Company during business hours on any working day and is also available on the website of the Company www.acstechnologies.co.in.

A brief profile of Shri. Srinivasan Neti and Shri Chalagalla Venkata Satyanarayana Murthy, including nature of their expertise, is provided at Annexure of this Annual Report

Item No:-6

Appointment of Chairman and Managing Director for the period of five

The board of directors had in its meeting held on 30th May 2023 appointed Shri. Ashok Kumar Buddharaju as chairman and Managing Director of the company subject to the approval of members.

In accordance with the provisions of section 152,196,197 and 203 and other applicable provisions of the companies act 2013, approval of members is required for the appointment of Mr. Ashok Kumar Buddharaju as chairman and managing director of the company with the effect from 30th May 2023 as per the stated terms and conditions.

In accordance with section provisions of the act, the company had also received the notice signifying his candidature as chairman and managing director of the company. His brief resume inter alia, giving his experience, shareholding in the company, Other directorships ,other particulars is provided in the annexure.

ANNEXURE TO ITEM NO. 2 OF NOTICE

Details of Directors seeking re-appointment at the forthcoming Annual General Meeting.

Name of the Director	Mrs. Anitha Alokam
Director Identification Number (DIN)	07309591
Date of Birth	10/06/1978
Nationality	Indian
Date of Appointment on Board	25/04/2023
Shareholding in ACS TECHNOLOGIES LIMITED as on 31.03.2023.	Allotment pending
List of Directorships held in other Companies (excluding foreign, private and Section 8 Companies)	BLUENINE INFRA TECHNOLOGIES PRIVATE LIMITED.

ANNEXURE TO ITEM NO.4 OF NOTICE

Name of the Director	SRINIVASAN NETI
Director Identification Number (DIN)	02677073
Date of Birth	16/08/1963
Nationality	Indian
Date of Appointment on Board	05/09/2023
Shareholding in ACS TECHNOLOGIES LIMITED(Formerly LN Industries Limited) as on 31.03.2023.	Nil
List of Directorships held in other Companies (excluding foreign, private and Section 8 Companies)	Nil
Experience (including experience in specific function areas)	Renowned professional with over 30 years of corporate experience in the Indian industry. His spent the early part of his career with Blow Plast Ltd and RPG Cellular (now Aircel) mainly in the Sales function. In 1998 he joined Brigade Corporation, a US based BPO firm and built the India operations from scratch to over 4,000 employees across 5 delivery centers. Neti then shifted focus in 2009 to the education sector and was the Country Head of Laurus Edutech, one of India's premier skill development organizations. In 2011 he joined the renowned Ryan International Group of Institutions as COO, where he currently oversees the operations of the group's schools. He has helped in implementing various management systems to build cost-effective models of growth and teaching-learning processes.
Number of meetings of the Board attended	Not Applicable
Relationship with other Directors / Key Managerial Personnel	Not related to any Director / Key Managerial Personnel

ANNEXURE TO ITEN NO.5 OF NOTICE

Name of the Director	Chalagalla Venkata Satyanarayana Murthy
Director Identification Number (DIN)	01830388
Date of Birth	08/01/1950
Nationality	Indian
Date of Appointment on Board	05/09/2023
Shareholding in ACS TECHNOLOGIES LIMITED(Formerly LN Industries Limited) as on 31.03.2023.	Nil
List of Directorships held in other Companies (excluding foreign, private and Section 8 Companies)	Nil
Experience (including experience in specific function areas)	CVSN Murthy is an established veteran in the IT industry. He has rich and hands-on experience of over 40 years in IT and Communications. Murthy holds Bachelors degree in Electrical and Electronics Engineering and M Tech in Neural Networks. He has started his career with a reputed management institute, Administrative Staff College of India (ASCI). He also had an association with Tera Software, KMC Constructions and Cosyn as Head of IT and Data Management Services. He is also an active Council member of Gerson and Lehrman Group(GLG), USA.
Number of meetings of the Board attended	Not Applicable
Relationship with other Directors / Key Managerial Personnel	Not related to any Director / Key Managerial Personnel

ANNEXURE TO ITEN NO.6 OF NOTICE

Name of the Director	Ashok Kumar Buddharaju
Director Identification Number (DIN)	03389822
Date of Birth	01/07/1967
Nationality	Indian
Date of Appointment on Board	30/05/2023
Shareholding in ACS TECHNOLOGIES LIMITED(Formerly LN Industries Limited) as on 31.03.2023.	Allotment Pending
List of Directorships held in other Companies (excluding foreign, private and Section 8 Companies)	1. BHARGA SOLUTIONS PRIVATE LIMITED 2. VARSUN ETECHNOLOGIES PRIVATE LIMITED 3. ALBESUN INDIA PRIVATE LIMITED 4. IOTIQ INNOVATIONS PRIVATE LIMITED
Experience (including experience in specific function areas)	He is an Engineering graduate in Computer Sciences. He had prior experience of over two decades in various IT companies viz. Wipro, Brigade

	and Varsun. Ashok brings to the table in depth insight in business processes across diversified industries. In his three decades of professional career, he headed the largest technical teams of supporting HP North America Consumer support during his tenure with Wipro and Brigade. Ashok played a key role in transforming ACS from traditional IT services provider to a business solutions company offering latest technological solutions.
Number of meetings of the Board attended	Not Applicable
Relationship with other Directors / Key Managerial Personnel	Not related to any Director / Key Managerial Personnel

The instructions for shareholders voting electronically are as under:

- (i) The voting period begins on September 27th 2023 at 9:00 A.M. and will end at September 29th 2023 at 5:00 P.M. During this period, shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 23rd September 2023 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- (iii) Pursuant to SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09.12.2020, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level.
- (iv) Currently, there are multiple e-voting service providers (ESPs) providing e-voting facility to listed entities in India. This necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the shareholders.
- (v) In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to enable e-voting to all the demat account holders, by way of a single login credential, through their demat accounts/ websites of Depositories/ Depository Participants. Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process.
- (vi) In terms of SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.
- (vii) (Pursuant to abovesaid SEBI Circular, Login method for e-Voting and joining virtual meetings for Individual shareholders holding securities in Demat mode CDSL/NSDL is given below:

Type of Share Holder	Login Method
Individual Shareholders holding securities in Demat mode with CDSL	<p>Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or visit www.cdslindia.com and click on Login icon and select New System Myeasi.</p> <p>After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers i.e. CDSL/NSDL/KARVY/LINKINTIME, so that the user can visit the e-Voting service providers' website directly.</p> <p>If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration</p> <p>Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page or click on https://evoting.cdslindia.com/Evoting/EvotingLogin The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.</p>

<p>Individual Shareholders holding securities in demat mode with NSDL</p>	<p>If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsd.com either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the “Beneficial Owner” icon under “Login” which is available under ‘IDeAS’ section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on “Access to e-Voting” under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.</p> <p>If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsd.com. Select “Register Online for IDeAS “Portal or click at https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp</p> <p>Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsd.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting</p>
<p>Individual Shareholders (holding securities in demat mode) login through their Depository Participants</p>	<p>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.</p>

- (viii) Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.
- (ix) Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. CDSL and NSDL

Login type	Helpdesk details
Individual Shareholders holding securities in Demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022- 23058738 and 22-23058542-43.
Individual Shareholders holding securities in Demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30

(x) Login method for e-Voting and joining virtual meetings for Physical shareholders and shareholders other than individual holding in Demat form.

1. The shareholders should log on to the e-voting website www.evotingindia.com.
2. Click on “Shareholders” module.
3. Now enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.
4. Next enter the Image Verification as displayed and Click on Login.
5. If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier e-voting of any company, then your existing password is to be used.
6. If you are a first-time user follow the steps given below:

	For Physical shareholders and other than individual shareholders holding shares in Demat.
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> • Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.
Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. <ul style="list-style-type: none"> • If both the details are not recorded with the depository or company, please enter the member id / folio number in the Dividend Bank details field.

7. After entering these details appropriately, click on "SUBMIT" tab.

8. Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

9. For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

10. Click on the EVSN for the relevant <Company Name> on which you choose to vote.

11. On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

12. Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.

13. After selecting the resolution, you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.

14. Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.

15. You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.

16. If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

17. Additional Facility for Non – Individual Shareholders and Custodians –For Remote Voting only.

18. Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves in the "Corporates" module.

19. A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.

20. After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.

21. The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.

22. A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of

the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

23. Alternatively Non Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; _____ (designated email address by company) , if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL/MOBILE NO. ARE NOT REGISTERED WITH THE COMPANY/DEPOSITORIES.

1. For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to Company/RTA email id.

2. For Demat shareholders -, Please update your email id & mobile no. with your respective Depository Participant (DP)

3. For Individual Demat shareholders - Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting & joining virtual meetings through Depository.

If you have any queries or issues regarding attending AGM & e-Voting from the CDSL e-Voting System, you can write an email to helpdesk.evoting@cdslindia.com or contact at 022- 23058738 and 022-23058542/43.

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager, (CDSL,) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.evoting@cdslindia.com or call on 022-23058542/43.

**By order of the Board
For ACS TECHNOLOGIES LIMITED**

**Ashok Kumar Buddharaju
Chairman and Managing Director
DIN : 03389822**

**Date: 05/09/2023
Place: Hyderabad**

DIRECTORS' REPORT**The Members,
ACS TECHNOLOGIES LIMITED
(Formerly LN Industries India Limited)**

The Directors have pleasure in submitting their Annual Report and the Company's Audited Financial Statements for the financial year ended March 31st, 2023.

INITIATION OF CORPORATE INSOLVENCY RESOLUTION PROCESS (CIRP):

The National Company Law Tribunal ("NCLT"), Hyderabad Bench, vide Order dated July 01, 2022 ("Insolvency Commencement Order") had initiated Corporate Insolvency Resolution Process ("CIRP") against your Company based on the petition filed by the Operational Creditor under Section 9 of the Insolvency and Bankruptcy Code, 2016 ("the Code"). Mr. M.Madhusudhana Reddy was appointed as an Interim Resolution Professional ("IRP") to manage affairs of the Company in accordance with the provisions of the Code.

Thereafter, pursuant to the Insolvency Commencement Order and in consonance with the stipulation contained in Section 17 of the IBC, 2016, the powers of the Board of Directors of the Company stand suspended and the same are vested and exercised by Mr. M.Madhusudhana Reddy, Resolution Professional (RP) w.e.f. July 01, 2022. Members of the Committee of Creditors (CoC) in their 06th Meeting held on December 02, 2022 considered the resolution plans and approved the resolution plan submitted by the Consortium (lead by Mr.Ashok Kumar Buddharaju and Mr.Ratakonda Vivek Kumar).

The Resolution Professional filed an application under Section 30(6) of the Code before the Hon'ble NCLT for the approval of Resolution Plan. The Adjudicating Authority has reserved the judgement vide its order dated March 24, 2023. Members may kindly note that, the Resolution Professional was not in office for the entire period to which this report primarily pertains. During the CIR Process (i.e. from July 01, 2022 to March 31, 2023), the Resolution Professional was entrusted with the management of the affairs of the Company. The Resolution Professional is submitting this Report in compliance with the provisions of the Companies Act, 2013, the rules and regulations framed thereunder ("Act") and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations 2015 ("Listing Regulations").

FINANCIAL SUMMARY AND STATE OF THE COMPANY'S AFFAIRS:

The Financial performance Summary and the State of the Company's Affairs for the current financial year ended March 31st, 2023, along with the figures for the previous financial year, are as follows:

Particulars	(Rs. in Lakhs)			
	Standalone		Consolidated	
	31-Mar-23	31-Mar-22	31-Mar-23	31-Mar-22
Revenue from operations	6,883.57	-	6,944.98	-
Other Income	5.17	-	5.17	-
Total Revenue	6,888.74	-	6,950.15	-
Profit /(Loss) before Interest, Depreciation & Tax	613.22	(1.00)	624.29	(1.00)
Depreciation	129.81	0.00	136.42	0.00
Financial Charges	183.42	-	183.60	-
Profit / (Loss) before Tax	299.99	(1.00)	304.27	(1.00)
Tax Expenses	-13.19	-	-14.05	-
Profit / (Loss) for the Year after tax	286.80	(1.00)	290.22	(1.00)

HIGHLIGHTS OF COMPANY'S PERFORMANCE:

- During the financial year 2022-23, LN Industries India Limited was in the process of CIRP and Hon'ble National Company Law Tribunal passed order no. CP (IB) No. 17/9/HDB/2022 Dated 24th March 2023.
- As Per above stated order, Scheme of arrangement with ACS TECHNOLOGIES LIMITED was approved.
- As per scheme of arrangement, ACS TECHNOLOGIES LIMITED has been merged with LN Industries Limited with effect from 31st March 2022.
- Revenue from Operations Rs. 6883.57 Lakhs is from ACS TECHNOLOGIES LIMITED which is merged entity and no operations have been carried out by LN Industries India Limited.
- The name of the company has been changed from LN Industries India Limited to ACS TECHNOLOGIES LIMITED with effect from June 26,2023.

STATE OF AFFAIRS OF THE COMPANY:

- As per the Hon'ble National Company Law Tribunal passed order no. CP (IB) No. 17/9/HDB/2022 Dated 24th March 2023, the objects of the business had been changed to Information Technology/Information Technology Enabled Services.

MANAGEMENT DISCUSSION AND ANALYSIS:

The core business verticals i.e. IT Infrastructure Management, Software Products and Solutions, Security and Surveillance Solutions, forayed into Smart Technologies business vertical. As the world is transforming into digital mode, IOT has become need of the hour and using this technology in many areas in daily lives. Considering the developments taking place rapidly in the business environment,

IT INFRASTRUCTURE MANAGEMENT

Information technology Infrastructure support services. Evolved with the technology, mastering, and delivering a cohesive, end to end optimization of Data Centers which are aligned with business trends and availability of latest technology and techniques. We provide comprehensive solutions thereby transforming an organization into a total IT driven enterprise.

Our IT Infrastructure Solutions include turnkey projects involving end-to-end Design & Implementation of Network, Smart Server Solutions, Storage Solutions, security and Infrastructure. We provide end to end solutions in this space that leads to the transformation of the enterprise making it as a total IT driven, by partnering with leading technology leaders like Dell, HP, CISCO, Juniper, SAP, Microsoft, VMware, Infinova, Bosch etc.

We leveraged our extensive expertise in IT Infrastructure to foray into Smart Security and Surveillance. We manage multi-vendor and multi-system-based services in Electronic Security, Dynamic Security concentrating on providing state-of-the-art services for Design, Installation, Commissioning and Management of the systems in Security and Surveillance segment. The systems include Closed Circuit Televisions (CCTV), Access Control, Fire Detection and Alarm, Perimeter Protection & Intruder Detection, Metal Detectors, X-Ray Machines, Boom Barriers, Tyre Shudders, Bollards, Road Blockers etc.

A Cohesive Client Base

Our clients include military establishments, government organizations, banks, airports and corporate sector. Our service offerings are cohesive and complementary and ACS expansion into IoT/Cloud/Data Analytics vertical has led to improvement of order book within existing long term customers and addition of large number of new

customers who all have a need for the service/product portfolio. From IT Infrastructure to Security/Surveillance, Energy Management, Transport, Water Management, Smart Advertising, Building Automation and Home Automation, all the domains are mutually supplementing the needs of our clientele.

SECURITY & SURVEILLANCE SOLUTIONS

We leveraged our extensive expertise in IT Infrastructure to foray into Smart Security and Surveillance. We manage multi-vendor and multi-system based services in Electronic Security, Dynamic Security concentrating on providing state-of-the-art services for Design, Installation, Commissioning and Management of the systems in Security and Surveillance segment. The systems include Closed Circuit Televisions (CCTV), Access Control, Fire Detection and Alarm, Perimeter Protection & Intruder Detection, Metal Detectors, X-Ray Machines, Boom Barriers, Tyre Shudders, Bollards, Road Blockers etc. Advancements in the field of IP based security systems and analytics is set to change the security and safety landscape.

Security and Surveillance Systems primarily involves physical security and safety systems, namely - Video Surveillance System, Access Control System, Fire Detection & Alarm System and Public Address System. Advancements in the field of IP based security systems and analytics is set to change the security and safety landscape. Now companies are looking for ways in which to derive business value from their security and safety systems and hence want to integrate these systems with their IT systems. These integrated systems are not only cost effective but are also proactive, flexible and provide greater control over these systems.

- Security and Surveillance Assessment: Analyzing the organization's current and future security requirements. Designing, Developing, Deploying and Operating the solution
- Integrating the solution with other IT security and business systems.
- Managing the security information such as access control, remote access, sharing and collaborating, search and retrieval. Managing various surveillance infrastructures from cameras and sensors to video storage devices.
- Formulating processes which comply with the various security standards.

Business Potential of Security & Surveillance Solutions

- Continuous escalation of crimes and of global terrorism has increased the potential of the IP surveillance industry in India and around the world. After the 26/11 Mumbai terror attacks, the government of India has undertaken several important initiatives to improve security in the country, including installation of CCTV cameras in most public places.
- The Asia-Pacific region is witnessing tremendous growth in the use of video surveillance systems. IP based surveillance systems are now considered indispensable in a range of industries and in government projects, leading to huge growth in this region.
- Apart from the demand generated by the government and industrial development projects, video surveillance systems are also being installed at residences, in commercial establishments, and in the transportation sector. Currently, the market is shifting towards IP based surveillance cameras. "Along with their reduced prices, this growing adoption of IP based cameras is being supported by the strengthening IT infrastructure across the nation. The adaptation of highly advanced and evolving technologies like artificial intelligence, IoT, and smart video analytics features like facial recognition, starlight technology, etc, have made IP cameras value for money propositions, providing the best quality surveillance at the ideal prices. The video surveillance landscape has shifted towards IP based security cameras, with cloud-based solutions, remote monitoring systems and mobile based surveillance solutions giving the user control over security from anywhere," adds Dham.

- The ongoing R&D in the field of video surveillance and security devices is increasing the functionality of such tools. This has improved the graphics resolution of security feeds and decreased the number of devices required. Kumar says, “India is experiencing unprecedented digitization across all industries. This has increased the need for surveillance and security products within the country. Given this, the segment has witnessed a phenomenal growth rate of 27 per cent in the country over the past couple of years and is expected to reach US\$ 2.4 billion by the end of 2020.”
- Growth of IP based surveillance products Constant innovations in security, surveillance and network offerings have moderately reduced the cost of specialised products and improved their effectiveness, which is also leading to the growth of the industry. Most importantly, these advances have successfully reduced the cost of deploying security cameras within a premise. The invention of the 360-degree video capturing technology has led to the phasing out of the typical three to four PTZ (pan-tilt- zoom) devices or the traditional CCTV products, and considerably reduced costs.
- According to the title report, “India CCTV Market Outlook, 2026”, the India CCTV market is anticipated to grow at a CAGR of more than 14% in forecast periods from 2021-2026. CCTV market in India is segregated into two technology type i.e. IP (Internet Protocol) and Non-IP CCTV cameras. Non-IP division is leading the market with more than 80% market share. However, in the coming years IP segment is anticipated to take the lead soon. By overtaking the analog category in Non-IP segment HD category is dominating the market with higher market share. By product wise market is segregated into three major categories i.e. Dome, PTZ and Bullet cameras. Dome CCTV is dominating the market with more than 50% of market share. (Source: <https://www.researchandmarkets.com/reports/5521849/india-cctv-camera-market-outlook-2026>).
- There is a huge demand for safe city projects in India to ensure public safety. With the successful deployment of surveillance and smart city projects in several Indian cities, more areas are expected to adopt similar video surveillance systems with central control rooms equipped with high-end large video wall solutions to monitor minute details. Emerging technologies in video analytics, biometrics, face recognition, and CCTV are becoming equally important for city surveillance monitoring and analysis. Four segments: security cameras, access control devices, intrusion detection devices, and video recording devices make up this market. India’s surveillance systems market is currently estimated to be a \$2.5 billion industry. It is largely comprised of video surveillance and is expected to grow at 25-30% annually. (Source: <https://www.trade.gov/market-intelligence/indias-surveillance-and-security-market>).
-
- ACS is already a key player in this segment and has implemented Safe City Projects for L&T for Hyderabad and Visakhapatnam and has a large client base in Defence and Govt Establishments across multiple states.

SMART TECHNOLOGIES

a) Home & Office Intelligence

- ACS market its Home and Office intelligence products under the branch name “IOTIQ”. IOTIQ is one of its kind Home Automation System that is present and available in the industry today. IOTIQ provides the best solution to home complications and problems with cutting edge technology that is not only available but also durable and affordable.
- A connected home demands a powerful, reliable and yet secure platform capable of running and functioning even in the rigors of real world conditions, IOTIQ provides this with the help of the industrial standard ZIGBEE protocol, IOTIQ offers you utmost access over all home appliances with just a touch via your smartphone or tablet without any compromise in quality, technology and performance and thus is simply unmatched in all these areas.

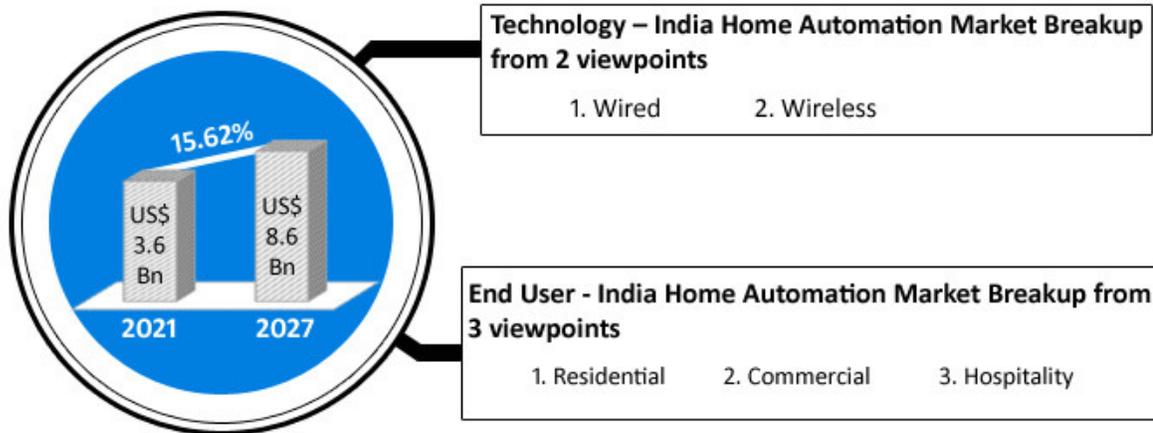
- Automation for us means something which works on its own and requires no human intervention. So, we built an Infrastructure which is adaptable for all and this infrastructure will be able to work on its own without any human intervention. We are heavily invested on developing Algorithms supporting our deep learning neural network which is constantly trying to access the user’s pattern on using appliances.
- Speaking about a long-term vision: We will be including every online service provider, e-commerce websites, local services and utility providers in our system that also without making any change in existing infrastructure and make IOTIQ a SINGLE SIGN ON Platform for any Personal Assistance.

India Home Automation Market Outlook - 2027

- Smart home refers to homes with appliances such as electronic devices is controlled or operated by user via smartphone or a mobile app. Smart devices include appliances such as lighting devices, air conditioning units, ovens, refrigerators, audio & video entertainment systems, and cooling & heating units. The user monitors and controls the functions of smart home devices with home automation technology. There are two types of home automation technology—wireless system and wiring system. The wireless system includes Z-wave, Wi-Fi, Infrared (IR), Bluetooth, and others. The wired systems include cabling for the integration of sensors and smart home systems in the home with internet cables and connectors.
- According to Renub Research, Indian Home Automation Industry will grow with a **double-digit CAGR of 15.62%** during **2021-2027**.



India Home Automation Market

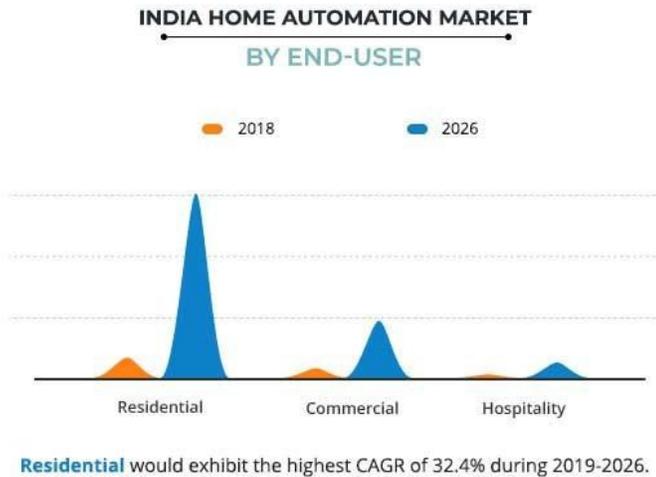
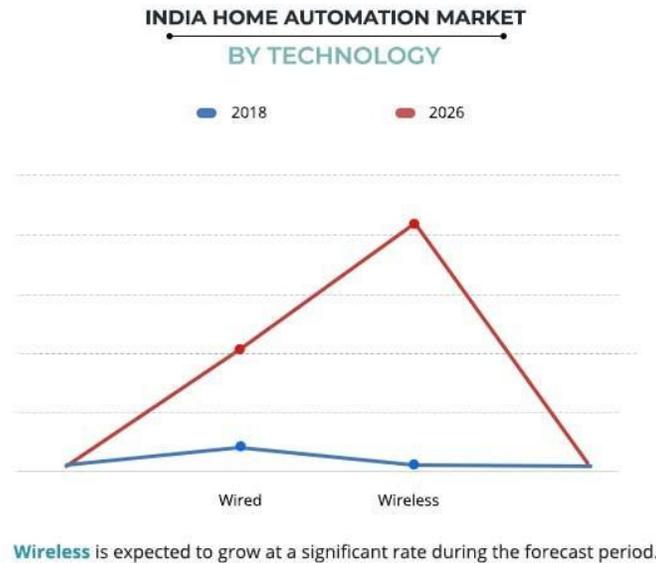


The advantages of home automation are safety and security, convenience, low utility costs, and time saving. The main focus to implement home automation in India is security, and energy efficiency. The home automation technology allows to control the heating and cooling systems in home, which can save considerable energy. Moreover, lights can be automatically switched on or off during sunrise or sunset as well as while leaving or entering the respective room.

The cost effectiveness is one of the driving factors for the India home automation market. Multiple cities, especially Pune, and Mumbai, witness considerable growth in adoption of smart home system every year that are backed by various competitors, which offers home automation at a low cost, thus increasing the India home automation market scope. Surge in economical video surveillance for security solutions that are integrated with real-time analytics are anticipated to boost the growth of the India home automation market. Moreover, the development of

smart kitchen appliances such as smart coffeemaker, intelligent oven, precision cooker, and smart grill, has enhanced IoT for smart homes, which continues to provide profitable business opportunities to the players in India home automation market.

However, the market penetration of home automation systems in India is less as compared to other developing nations, owing to the limited connectivity and lower average bandwidth. Furthermore, the lack of standardization of products and components in smart home can lead to failure of the system. Such factors hamper the India home automation market growth.



The India home automation market is segmented on the basis of product, technology, and end user. By product, the India home automation market is segregated into lighting, security & safety, HVAC, entertainment, and others. The lighting segment is further divided into relays, dimmers, switches, and others. Security & safety is sub-segmented into bells, locks, security cameras, and others. In 2018, the India home automation share is highest among the Security & safety segment, owing to the growth in urbanization. The HVAC segment is further classified into thermostats, sensors, control valves, and others. Entertainment is subdivided into home theater system,

audio, volume & multimedia controls, and others. The others segment includes wall panels, ceiling plates, fans, and wires. Depending on technology, the market is bifurcated into wired and wireless. By end user, it is fragmented into residential, commercial, and hospitality.

Key Benefits for India Home Automation Market:

- The report provides an extensive analysis of the current and emerging India home automation market trends and dynamics.
- In-depth India home automation market analysis is conducted by constructing market estimations for the key market segments between 2018 and 2026.
- Extensive analysis of the market is conducted by following key product positioning and monitoring of the top competitors within the market framework.
- A comprehensive analysis of all regions is provided to determine the prevailing opportunities.
- The India home automation market forecast analysis from 2018 to 2026 is included in the report.
- Key market players are profiled in this report and their strategies are analyzed thoroughly, which help to understand the competitive outlook of the India home automation industry.

IOTIQ being focused in this space and efforts are in place to expand its foot print in PAN india, hence there is a fair chance of faring well during this period is remarkably high.

All of them bundle with Athena Smart Analytics Mobile, Desktop and Web Platform to give unparalleled and scalable features.

- VOICE CONTROLLED - Users can control and instruct the system through their voice by using Amazon Alexa & Google Home –Amazon and Google Certified
- APPLIANCE CONTROLLED - User can both power and functionally control all the appliances from anywhere in the world like TV, SET TOP Box, AC, Projector, DVD player etc.
- TEMPERATURE CONTROLLED - Though Smart Sense's temperature sensor.
- SECURE with INTRUSION DETECTOR - Though Smart Sense's occupancy sensor.
- ENERGY SAVINGS AND MONITORING - By leveraging Smart Sense's occupancy sensor data and energy consumption data, giving tips to users hoe to save energy.
- LOCK MODE - Provides security by locking all the IOTIQ enabled devices and activates the motion sensor to monitor the unauthorised activity and then alerts the user by sending notifications to all the family members.
- MOOD CONTROLLED - Customized Mood control
- SCHEDULABLE - Schedule appliances according to user's habits and necessity ensuring peace of mind.
- IP CAMERA ACCESS - Our Wi-Fi Video Door Phone can be installed at the Door so that whenever a visitor comes, the resident will get a live video call on his/her phone and they can speak to them directly. If they have a digital door lock, they will be able to operate the same as well. The VDP will also raise an alarm if someone is loitering or trying to break in through your door through its inbuilt PIR sensors.

Athena Smart Analytics

Athena Smart Analytics System is conceived to integrate multiple Smart Sensor Technologies of Industry Partners providing Visualization, Analytics and Decision Support for the team managing the resources of City Corporations. Smart Energy, Smart Surveillance, Smart Water, Smart Transport, Smart Emergency Response Information Services, Intelligent Advertising and Home Automation with Data Mining are the focal points. A large-scale implementation of Athena can cover a City, but the solution scales upwards from individual homes to Condominiums/ Apartments, Campuses to small townships and upwards to a whole City. It can be implemented at any level for the Consumers/End Users and the Service Providers.

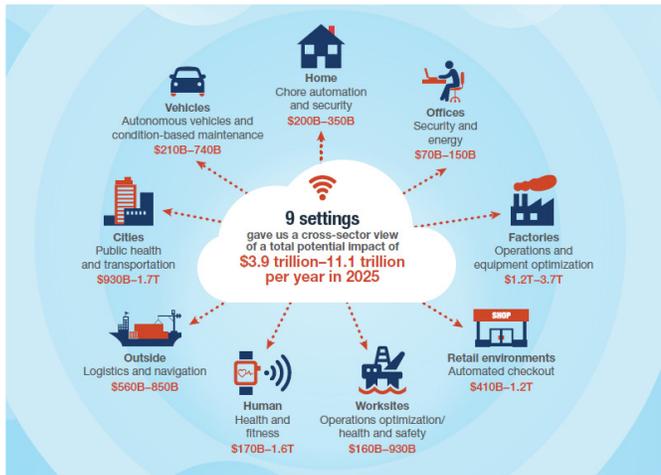
There is no dearth of Smart Technologies, however, there is a clear gap in terms of having an integrated platform that can provide a Common Operational Picture (COP) spanning across various utilities and services. Most of these Smart Technologies do not talk to each other, maintain isolated databases, and provide functionality limited to their domain. Athena Smart Analytics System is designed to end this debacle paving way to a modern highly functioning well integrated society.

We have over 16 IoT Systems currently integrated with Athena which includes Home Intelligence Sensors, Smart Water Meters, Smart Street Lighting Control, and Intelligent Advertising via remote control of Digital Signage Displays, Smart Vehicle Tracking and Fleet Management. Its next release will have integrations with Video Conferencing for Ops/Maintenance Support and Emergency Response, online Helpdesk and Ticketing System, Passenger Information Displays, Smart Energy Meters and Energy Monitoring Devices (For Transmission and Distribution Audits) and Smart Condominium Management System.

KEY OFFERINGS

- **Smart Home & office Solutions**
- **Smart Water management**
- **Smart Advertisements**
- **Smart Industry**
- **Smart Parking**
- **Smart AgriTech**
- **Smart Healthcare**
- **Smart Learning**
- **Smart Campus**
- **Smart Energy Mgmt.**

IOT Market by Verticals:



SOFTWARE SOLUTIONS

ACS offers Design and Development of Custom Software Applications with Structured and Object Oriented Analysis. We have core skills on multiple platforms and databases. Our data analytics expertise enables us to offer Big Data and Analytics custom solutions on platforms like Hadoop, R, Kubernetes and many other Container Architectures. We also offer IV&V services with manual and automated testing.

ACS has developed and is continuously enhancing its software products portfolio for Enterprise Clientele. Its products include:

ACS IntelliQ – Intelligent Queue Management System

Market: HealthCare Sector (Clinics, Hospitals, Diagnostics), Service Sector (Banks, Telecom)

ACS DMS – Enterprise Document Management System

Market: Mid to Large Corporates/PSU's/Govt/Defence with requirements of large archives of documents, workflows, audit trail management

ACS HelpDesk – Service and Help Ticketing and Resolution System

Market: SME's/PSU's/Govt/Defence, Call Centres/BPO Companies handling Customer (inhouse and external) issues and support for IT as well as non-IT products/services

ACS CMS – Digital Content Management System

Market: Ad and info streaming from remote servers in Apartments, Malls, Corporates, Hotels/Restaurants, Digital Signage

ACS LMS – Learning Management System

Market: Training and Knowledge Repository Software for Schools/Colleges/Distance Education/BPO/Corporate Training, Govt/Railways/PSU/Banking Sector Skill Enhancement Trainings

Some of its products have been deployed in preceding FY's with large Govt and Corporate Customers.

Our IntelliQ software **is being used by Apollo Health group** and it is expected to **increase installation base in current FY to over 120 Clinics/Hospitals** and Franchise Centres of Apollo Pan India. This software has enormous potential in HealthCare sector and was earlier installed in Naresuan Medical Centre in Thailand as a PoC. An LoI was given for implementation of the same across 450 Hospitals in Thailand.

Its Enterprise Document Management System was installed with APEPDCL (Andhra Pradesh Eastern Power Corp), a Govt Sector Power Utility Provider. Over 7 Terabytes of documents of Consumers, billing, requisitions, installations spanning over 10 years of Operations Data are being managed by ACS DMS Software repository. This software has huge potential in deployment in Govt/PSU due to the Digitization and paperless Office Automation processes that most Govt Organizations in India are migrating to under the aegis of Digital India.

ACS HelpDesk is a new product which is perfectly synchronized with ACS business line as an IT Infrastructure Management Company. It has inhouse application to automate Service Requests, Service Provision, SLA and Performance monitoring for existing clients of ACS. ACS also plans to sell it in SaaS (Software As A Service) model to generate month on month revenue and provide a low capital investment tool to Govt/PSU/Corporates and BPO Companies.

USPs of ACS in the existing and emerging verticals of business

- **IOT Solutions**

USP: Own products. Capability to customize design for specific customer requirements.

- **Athena - Integrated Platform**

USPs:

a) No single player in the market is providing an integration of own and 3rd party sensors.

- b) Capability to deliver solutions that meet Govt/Large Corporate/Smart City requirements rather than just out of box products.
 - c) Capability to evolve into a PaaS (Platform As A Service). Future plans of providing software platform to IoT Product developer community to allow them to quickly build/integrate software data acquisition, reporting and analytics on top of their Electronic/Electrical/Electro-mechanical IoT products.
 - d) Own base of 20+ products and Athena open to IoT developers creating a product portfolio of hundreds of products in a non compete environment.
- **IT Infra**
USP: 40+ years proven track record of IT Infra Services for Government/Defence/PSU and Large Corporates.
 - **Security and Surveillance Solutions**
USP: System Integrator role combining IT Infra, IoT, Security and Surveillance Solutions along with O&M.
 - **Software Products**
USP: Niche products in SaaS and PaaS model.

Future Outlook

Technology R&D

As part of our ongoing plans of taking our existing IOT business nationally and globally, we want to setup a R&D division primarily to focus on Industrial IOT (IIOT) and exploring of various Solutions for Construction, Manufacturing, Pharma, Health and Agriculture industries.

Some of the Product and Solution Segments being targeted for inhouse Innovative development are:

a) Sensor and Data Acquisition Systems

- i. Intelligent Occupancy Sensors – **Utility:** All Corporates, Industrial Units, Factories, Military Establishments. **USP:** Intelligent People Counter, actions and alerts based on Use Case, Safety/Security and Energy Savings.
- ii. Proximity Detection and Collision Avoidance – **Utility:** Construction, Mining, Road Safety. **USP:** Failsafe Design for standalone and command centre operations, Multiple failsafe sensors (GPS, Active RFID, Radio Transponders), Can work on standalone, own low bandwidth mesh or on commercial WiFi/GSM.
- iii. Smart Helmets – **Utility:** Construction, Mining, Defence and Homeland Security, Harsh Work Environment Industrial Plants. **USP:** Location, Health Parameters, Alerts, Supervisory Monitoring, Fall Detection.
- iv. LORA and Radio Communication Mesh Networks – **Utility:** Construction, Mining, Large Factories and Plants with no network availability in Area of Operations. **USP:** Low bandwidth, reliable communications without commercial networks, any weather (harsh environment) operations.
- v. Smart Farming – **Utility:** Agri, Aquaculture. **USP:** Automated context based monitoring of environment and control of machinery and alerting to supervisory teams (soil, humidity, temperature, water, pH levels, turbidity etc), lower risk of crop of produce damage and improved production.

Athena Smart Analytics – A Cloud Platform for creating AI based Visualization, Monitoring and Management System for IoT Applications. Athena shall provide multiple Industrial IoT protocols and visualization tools as out of the box API cutting down development times drastically for developers. It will provide ACS own as well as 3rd Party Product integration capabilities through Industry Standard Interfaces. The Platform will be used to create own IoT solutions of ACS as well as be thrown open to developers community (Engineers, Scholars, Researchers, Startups, Established Companies attempting entry into IoT domain with their own designed sensors or trying to build multi sensor Intelligent Applications).

To enable lowering of costs of production and supply chain, the R&D division primarily requires the basic assembly and testing equipment and the quality resources experienced in electronics and communication along with Data analytics. This is being planned for an in house setup with personnel, electronics assembly line equipment and test centre.

B2B and B2G Focus

ACS is already primarily working in B2B and B2G segment with its major clientele being Govt/PSU/Defence or Large Corporates and BFSI. To enable revenue growth, ACS will focus on high value contracts in this segment (multiple orders, each of value 5 to 25 Crore INR). Execution of such contracts requires between 30 to 50% rotating cash flow to fund the supply chain and execution milestones.

The target prospect clientele for these segments are in major part same as existing clientele of ACS. In addition, Industries (Construction, Mining, Pharma, Agri) and Real Estate and Hospitality (Builders, Hotel Chains, Facilities Management Service Providers etc) will be prospected for B2B collaborative Industrial or Building Automation Solutions implementations.

ACS has already empaneled itself as a preferred Services Provider with Govt/PSU/Quasi-Govt agencies like ECIL, ITIL and many more. These organizations bid for high value contracts or take on single vendor tenders of values Rs 50 Cr to 500 Cr and act as System Integrators offloading majority of the works to their preferred partners/vendors.

Business Development

ACS has a predominant revenue footprint in Telangana, Andhra Pradesh, Kerala, Orissa, Maharashtra and Chhattisgarh. It aims to expand its business in both domestic and international regions through:

- Own Sales Offices
- Channel Partnerships
- Distributor/Dealerships

ACS is planning enhancement of sales team, expansion of national and global footprint and in continuous branding and digital awareness campaigns. It has plans of setting up sales offices in major cities in India like Chennai, Bengaluru, Pune, Mumbai, Delhi NCR, Kolkata etc and also in Middle East and APAC regions.

It already has partnerships with established companies in Thailand and Naresuan University of Thailand which is promoted by the Royal family of Thailand.

WEBLINK FOR ANNUAL RETURN:

The Company is having website i.e www.acstechnologies.co.in and the annual report for the F.Y 2022-23 of Company has been published on such website.

NUMBER OF MEETINGS OF THE BOARD:

No Board Meetings have transpired during the year due to the company's involvement in the CIRP.

DETAILS OF FRAUD REPORT BY AUDITOR:

As per auditor's report, no fraud u/s 143(12) reported by the auditor.

AUDITORS AND AUDITORS' REPORT:

M/s Gorantla & Co., Chartered Accountants (Firm Registration No. 16943S) are appointed Statutory Auditors of the Company till the conclusion of Annual General Meeting for F.Y 2026-2027

The Independent Auditors' Report and Annexure referred to this Report are self-explanatory and do not call for any further comments. The Auditors' Report does not contain any qualification, reservation, adverse remark or disclaimer.

SECRETARIAL AUDITOR:

M/s VCSR and Associates practicing company secretaries has been appointed as secretarial auditor of the company till the conclusion of Annual General Meeting for F.Y 2026-2027.

INTERNAL AUDITORS

The Internal Auditor appointment procedure is currently ongoing.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS:

Details loans, guarantees or investments under section 186 (4) of the Companies Act 2013 and Rules made there under, were made by the Company during the financial year 2022-23. The detailed note of the same are given in notes to Financial Statement.

INFORMATION ON SHARES OF THE COMPANY:

The Authorised share capital of the Company is Rs. 172,00,00,000/-*

*Authorized capital is increased from 145,00,00,000/- to 172,00,00,000/- due the scheme of merger with ACS TECHNOLOGIES LIMITED(CIN: U72200TG1980PLC002703)

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES:

The Company has outstanding unsecured loans taken from directors amounting to Rs.87,46,961/- as on financial year ended 31st March ,2023.

RESERVES AND SURPLUS:

The Company earned a Net Profit of Rs. 2,86,77,945/- during the current financial year and net loss of Rs. 100000/- during the previous financial year of 2021-22. Reserves and Surplus is of Rs.26,13,64,475/- as on 31st March, ,2023 which constitutes surplus in profit and loss account of Rs.7,55,16,475 and securities premium balance of Rs. 18,58,48,000/-. Both these amount are relating to ACS TECHNOLOGIES LIMITED, the transferor company (as per approved scheme by Hon'ble NCLT vide its order dated 24th March, 2023).

DIVIDEND:

The Directors have not recommended any dividend for the current financial year.

MATERIAL CHANGES AND COMMITMENTS

- During the financial year 2022-23, LN Industries India Limited was in the process of CIRP and Hon'ble National Company Law Tribunal passed order no. CP(IB) No. 17/9/HDB/2022 Dated 24th March 2023.
- Scheme of arrangement with ACS TECHNOLOGIES LIMITED was approved by the Hon'ble NCLT vide above reference order.
- As per scheme of arrangement, ACS TECHNOLOGIES LIMITED was merged with LN Industries India Limited with effect from 31st March, 2022.
- Name of the company of LN Industries India Limited had changed to ACS TECHNOLOGIES LIMITED with effect from June 26, 2023 as a part of the approved scheme of arrangement
- The main objects of the company had changed to Information Technology/ Information Technology Enabled Service as a part of the approved scheme arrangement
- The previous management personnel had been changed due to approved Hon'ble NCLT order dated 24th March, 2023.

HOLDING / SUBSIDIARY / JOINT VENTURES / ASSOCIATE COMPANIES:

The detail of Holding / Subsidiary / Joint Ventures / Associate Companies is detailed out as below:

S.No.	Name of the Company	Status	Effective date
1	IOTIQ Innovations Private Limited	Subsidiary	20 th September 2018*

*Due to the merger of ACS Technologies Ltd. with LN Industries India Ltd., IOTIQ Innovations Private Limited has become the subsidiary of ACS Technologies Ltd. (Formerly Known as LN Industries India Ltd)

DIRECTORS / KMP APPOINTED OR RESIGNED DURING THE YEAR:

The Board of Directors was duly constituted during the financial year.

- The Following existing directors of LN Industries India Limited have been vacated pursuant to the Hon'ble NCLT Order.

S.No.	Name	DIN No.	Designation
1	SHAILESH SHIVRAM MISTRY	02828383	Director
2	GARLAPATI LAXMA REDDY	06902285	Director
3	SNEHA RUPESH TALREJA	07161901	Additional Director
4	KUMAR REDDY MADHU LATTUPALLI	07604968	Director

- The following directors have been appointed by the resolution professional and their brief details are as follows.

S.No	Name Of Director	Date Of Appointment	DIN	Designation
1	ASHOK KUMAR BUDDHARAJU	25/04/2023	03389822	Director
2	RAMA DEVI BUDDHARAJU	25/04/2023	07026035	Director
3	ANITHA ALOKAM	25/04/2023	07309591	Director

- Mr. ASHOK KUMAR BUDDHARAJU has been appointed as Chairman and Managing Director of the company as on 30th May 2023.
- Mr.Prabakara Rao Alokam has been appointed as Chief Financial Officer of the company with effect from 05th May 2023.
- Mr.Venkata Nagarjuna.P has been appointed as Company Secretary and Compliance Officer of the Company with effect from 10th April, 2023.

DIRECTORS' RESPONSIBILITY STATEMENT:

Your directors state that:

- a) In the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures.
- b) The Directors had selected such accounting policies and applied them consistently and made judgments and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit and loss of the Company for that period.
- c) The Directors had taken proper & sufficient care of the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013, for safeguarding the assets of the Company and for preventing & detecting fraud & other irregularities.
- d) The Directors had prepared the annual accounts on a going concern basis; and
- e) The provisions for laying down internal financial controls were not applicable to the Company.
- f) The Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

DECLARATION BY INDEPENDENT DIRECTORS:

The Independent Directors of your Company have submitted declaration confirming that they will meet the criteria of independence as laid down under Section 149(6) of the Act as the committee of Independent Director were inducted in the Company on 1st March 2021.

PARTICULARS OF DIRECTORS / KMP / SPECIFIED EMPLOYEES:

None of the employee has received remuneration exceeding the limit as stated in rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

The provisions of Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, relating to furnishing of particulars of remuneration of Directors / KMP / Other Specified Employees, are not applicable to the Company.

DEPOSITS:

During the current financial year as well as previous financial year, the Company had not invited / accepted any deposits under Companies Act, 2013 and there was no outstanding of any deposit as at March 31st, 2023 as well as at March 31st, 2022.

FRAUDS TO BE REPORTED BY AUDITORS:

The Auditors of the Company had not reported any offence involving any fraud committed against the Company by any officer or employee of the Company during the current financial year as well as during the previous financial year, as required under sub-section (12) of section 143 of the Companies Act, 2013.

RISK MANAGEMENT POLICY:

In the opinion of the Board, there is no material element of risk which may threaten the existence of the Company.

ACTIVITIES RELATING TO EXPORTS:

There was following activity relating to exports during the current financial

- Exports Of Products/Services - \$ 11,59,915 USD.
- Exports Of Products/Services - 4,33,470.20 EURO

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS & OUTGO:

(A) Conservation of Energy:

There is no consumption of electricity by the Company.

(B) Technology Absorption:

There is no technology absorption involved in the operations of the Company.

(C) Foreign Exchange Earnings & Outgo:

The import and export during the current financial year as well as during the previous financial year are as follows.

Particulars	2022-23
Import	\$ 7,207.23 USD
Export	\$ 11,59,915.00 USD 4,33,470.20 EURO

CORPORATE SOCIAL RESPONSIBILITY:

The provisions of Corporate Social Responsibility are not applicable to the Company.

FORMAL ANNUAL EVALUATION:

The provisions related to formal annual evaluation either by the Board or any of its committee or Individual Directors are not applicable to the Company.

SIGNIFICANT AND MATERIAL ORDERS AGAINST THE COMPANY:

During the financial year 2022-23, LN Industries India Limited was in the process of CIRP and Hon'ble National Company Law Tribunal passed order no. CP(IB) No. 17/9/HDB/2022 Dated 24th March 2023

ACKNOWLEDGEMENTS

Your Company and its Directors wish to extend their sincerest thanks to the Members of the Company, Bankers, State Government, Local Bodies, Customers, Suppliers, Executives, Staff and workers at all levels for their continuous cooperation and assistance.

**For and on behalf of the Board of Directors
ACS TECHNOLOGIES LIMITED**

**Ashok Kumar Buddharaju
Chairman and Managing Director
DIN: - 03389822**

**Anitha Alokam
Director
DIN: - 07309591**

**Date: 05/09/2023
Place: Hyderabad**

ACS TECHNOLOGIES LIMITED ANNUAL REPORT 2022-23

Sub-total (B)(2):-	31673463	56416328	88089791	86.63	27642270	1128326	28770596	51.61	
Total Public Shareholding (B)=(B)(1)+(B)(2)	31673463	56416328	88089791	86.63	27642270	1128326	28770596	51.61	
C. Shares held by Custodian for GDRs & ADR's	0	0	0	0	0	0	0	0	0
Grand Total (A+B+C)	42648922	59036978	101685900	100	54613622	1128326	55741948	100	100

B) Shareholding of Promoter-

SN	Shareholder's Name	Shareholding at the beginning of the year (as at 31 ST March, 2022)			Shareholding at the end of the year as at 31 ST March 2023			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	M RAGHAVA REDDY	42000	0.04	0	0	0	0	0
2	SURENDER REDDY G	1317306	1.30	0	0	0	0	0
3	GARLAPATI PUSHPA LEELA	684913	0.67	0	0	0	0	0
4	SUDDALA MANMOHAN RAO	1375080	1.35	0	0	0	0	0
5	SUDDALA SARALA DEVI	173910	0.17	0	0	0	0	0
6	LN projects Pvt. Ltd	10000000	9.83	0	0	0	0	0
7	Ashok Kumar Buddharaju	0	0	0	6414068	11.88	0	100
8	Ramadevi.B	0	0	0	5551892	10.29	0	100
9	Anitha ALokam	0	0	0	3850200	7.13	0	100

Note:- As per NCLT order No. CP(IB) NO.17/9/HDB/2022 ,Dated 24.03.2023, all promoter shareholding cancelled and 98% public shareholding had been cancelled.

C) Shareholding Pattern of top ten Shareholders:

Top 10 Shareholders	Shareholding at the beginning of the year		Shareholding at the End of the year	
	No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
LN PROJECTS PVT. LTD.	2575750	2.53	0	0
LN PROJECTS PRIVATE LIMITED	7424250	7.30	0	0
PATEL & PATEL TEAM DEVELOPERS LLP.	6500000	6.39	0	0
SECUNDERABAD HEALTH CARE LIMITED	14800000	14.55	0	0
CVK INFRASTRUCTURE PVT LTD.	9500000	9.34	0	0
R SQUARE INNOVATIONS PVT Ltd	3781000	3.72	0	0
HN ORGANISERS & DEVELOPERS LLP	6750000	6.64	0	0
ROHINI ENTERPRISES	2500000	2.46	0	0
NEERAJ SINGAL	3000000	2.95	0	0
BRIJ BHUSHAN SINGAL	2500000	2.46	0	0
Ashok Kumar Buddharaju	0	0	6414068	11.88
Ramadevi.B	0	0	5551892	10.29
Anitha ALokam	0	0	3850200	7.13
Prabhakara Rao Alokam	0	0	8472642	15.37

Note:- As per NCLT order No. CP(IB) NO.17/9/HDB/2022 ,Dated 24.03.2023, all promoter shareholding cancelled and 98% public shareholding had been cancelled.

D) Shareholding of Directors and Key Managerial Personnel

SN	Shareholding of each Directors and each Key Managerial Personnel	Shareholding at the beginning of the (as on year end 2022)		Shareholding at the end of the year 2023	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	GARLAPATI LAXMA REDDY - DIRECTOR				
	At the beginning of the year	0	0	0	0
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc):				
	At the end of the year	0	0	0	0
2	SHAILESH SHIVRAM MISTRY - DIRECTOR				
	At the beginning of the year			0	0
	Date wise Increase / Decrease in Promoters Share holding during the			-	-

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	year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc):				
	At the end of the year			0	0
3	SNEHA RUPESH TALREJA – DIRECTOR				
	At the beginning of the year	-	-	-	-
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	-	-	-	-
	At the end of the year	-	-	-	-
4	KUMAR REDDY MADHU LATTUPALLI – DIRECTOR				
	At the beginning of the year	0	0.00	0	0.00
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	-	-	-	-
	At the end of the year	0	0.00	0	0.00
5	ASHOK KUMAR BUDDHARAJU – CMD				
	At the beginning of the year	0	0	6414068	11.88%
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc):			As per NCLT Order	As per NCLT Order
	At the end of the year	0	0	6414068	11.88%
6	ANITHA ALOKAM				
	At the beginning of the year	0	0	3850200	7.13%
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc):			As per NCLT Order	As per NCLT Order
	At the end of the year			3850200	7.13%
7.	RAMADEVI BUDDHARAJU				
	At the beginning of the year	0	0	5551892	10.29%
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc):			As per NCLT Order	As per NCLT Order

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	At the end of the year			5551892	10.29%
8	PRABHAKAR RAO ALOKAM – CFO				
	At the beginning of the year	0	0	8472642	15.37%
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	-	-	As per NCLT Order	As per NCLT Order
	At the end of the year	0	0	8472642	15.37%
7	Company Secretary	0	0	0	0
	At the beginning of the year	-	-	-	-
-	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	-	-	-	-
	At the end of the year	-	-	-	-

Note:- As per NCLT order No. CP(IB) NO.17/9/HDB/2022 ,Dated 24.03.2023, all promoter shareholding cancelled and 98% public shareholding had been cancelled.

IV INDEBTEDNESS -Indebtedness of the Company including interest outstanding/accrued but not due for payment.

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount				0
ii) Interest due but not paid				
iii) Interest accrued but not due				
Total (i+ii+iii)				
Change in Indebtedness during the financial year				
* Addition	95,25,20,798	2,53,39,158		97,78,59,956
* Reduction	82,27,07,633	1,36,59,444		83,63,67,077
Net Change	12,98,13,165	1,16,79,714		14,14,92,879
Indebtedness at the end of the financial year				0
i) Principal Amount	12,98,13,165	1,16,79,714		14,14,92,879
ii) Interest due but not paid				
iii) Interest accrued but not due				
Total (i+ii+iii)	12,98,13,165	1,16,79,714		14,14,92,879

V. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**A. Remuneration to Managing Director, Whole-time Directors and/or Manager:**

Sl. No.	Particulars of Remuneration	Ashok Kumar Buddharaju				Total Amount
1	Gross salary	-	-	-	-	-
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	24,00,000	-	-	-	24,00,000
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	-	-	-	-	-
2	Stock Option	-	-	-	-	-
3	Sweat Equity	-	-	-	-	-
4	Commission - as % of profit - others, specify...	-	-	-	-	-
5	Others, please specify	-	-	-	-	-
	Total (A)	24,00,000	-	-	-	24,00,000
	Ceiling as per the Act	-	-	-	-	-

B. Remuneration to other directors

SN.	Particulars of Remuneration	Name of Directors			Total Amount
1	Independent Directors				-
	Fee for attending board committee meetings	-	-	-	-
	Commission	-	-	-	-
	Others, please specify	-	-	-	-
	Total (1)	-	-	-	-
2	Other Non-Executive Directors	RAMADEVI.B	ANITHA ALOKAM	-	-
	Fee for attending board committee meetings	-			-
	Commission	-	-	-	-
	Others, please specify	24,02,400	11,50,000	-	35,52,400
	Total (2)	-	-	-	-
	Total (B)=(1+2)	-	-	-	-
	Total Managerial Remuneration	24,02,400	11,50,000	-	35,52,400

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD

SN	Particulars of Remuneration	Key Managerial Personnel			
		CEO	CFO	CS	Total
1	Gross salary	-	-	-	-
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	22,77,400	6,04,190	-
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-	-
2	Stock Option	-	-	-	-
3	Sweat Equity	-	-	-	-
4	Commission	-	-	-	-
	- as % of profit	-	-	-	-
	others, specify...	-	-	-	-
5	Others, please specify	-	-	-	-
	Total	-	22,77,400	6,04,190	-

VI. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give Details)
A. COMPANY					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
B. DIRECTORS					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
C. OTHER OFFICERS IN DEFAULT					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-

MR -3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED MARCH 31, 2023

[Pursuant to Section 204 (1) of the Companies Act, 2013 and the Rule 9 of the Companies
(Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To
The Members,
M/s. ACS TECHNOLOGIES LIMITED
(Formerly LN INDUSTRIES INDIA LIMITED)
CIN: L18100TG1993PLC015268

We have conducted the Secretarial Audit and compliance of applicable statutory provisions of the Acts, Rules and regulations as mentioned below and the adherence to good corporate practices by M/s. ACS TECHNOLOGIES LIMITED (Formerly known as LN INDUSTRIES INDIA LIMITED) (herein called 'the Company') for the financial year 2022-23. Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing my opinion thereon. Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering from 01/04/2022 to 31/03/2023, has been under the process of Corporate Insolvency and Resolution Process:

1. We have examined the books, papers, minute books, forms and returns filed and other records maintained by M/s. ACS TECHNOLOGIES LIMITED ('the Company') for the financial year ended on March 31, 2023 ("Audit Period") according to the provisions of:
 - 1.1. The Companies Act, 2013 (the Act) and the rules made thereunder as applicable; No Compliance during the year due to the company's involvement in the CIRP.
 - 1.2. The Securities Contract (Regulation) Act, 1956 ("SCRA") and the rules made thereunder; No Compliance during the year due to the company's involvement in the CIRP.
 - 1.3. The Depositories Act, 1996 and the Regulations, Bye-laws framed thereunder; No Compliance during the year due to the company's involvement in the CIRP.
 - 1.4. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial borrowings; Not applicable.
 - 1.5. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'): -
 - 1.5.1. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; Not Applicable.
 - 1.5.2. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulation, 2015; Not applicable.
 - 1.5.3. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; No Compliance during the year due to the company's involvement in the CIRP.
 - 1.5.4. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 & Listing Agreement entered with NSE Limited; No Compliance during the year due to the company's involvement in the CIRP.

- 1.6. The Secretarial Standards on the Meetings of the Board of Directors, Committees and General Meetings issued by the Institute of Company Secretaries of India; No Board Meetings have transpired during the year due to the company's involvement in the CIRP.
2. We report that during the period under review the Company was under process of Corporate Insolvency Resolution Process.

INITIATION OF CORPORATE INSOLVENCY RESOLUTION PROCESS (CIRP):

The National Company Law Tribunal ("NCLT"), Hyderabad Bench, vide Order dated July 01, 2022 ("Insolvency Commencement Order") had initiated Corporate Insolvency Resolution Process ("CIRP") against the Company based on the petition filed by the Operational Creditor under Section 9 of the Insolvency and Bankruptcy Code, 2016 ("the Code"). Mr. M. Madhusudhana Reddy was appointed as an Interim Resolution Professional ("IRP") to manage affairs of the Company in accordance with the provisions of the Code.

Thereafter, pursuant to the Insolvency Commencement Order and in consonance with the stipulation contained in Section 17 of the IBC, 2016, the powers of the Board of Directors of the Company stand suspended and the same are vested and exercised by Mr. M. Madhusudhana Reddy, Resolution Professional (RP) w.e.f. July 01, 2022. Members of the Committee of Creditors (CoC) in their 06th Meeting held on December 02, 2022 considered the resolution plans and approved the resolution plan submitted by the Consortium (lead by Mr. Ashok Kumar Buddharaju and Mr. Ratakonda Vivek Kumar).

The Resolution Professional filed an application under Section 30(6) of the Code before the Hon'ble NCLT for the approval of Resolution Plan. The Adjudicating Authority has reserved the judgement vide its order dated March 24, 2023.

3. We further report that:
 - 3.1. The powers of the Board of Directors of the Company stand suspended and the same are vested and exercised by Mr. M. Madhusudhana Reddy, Resolution Professional (RP).
 - 3.2. Members of the Committee of Creditors (CoC) in their 06th Meeting held on December 02, 2022 considered the resolution plans and approved the resolution plan submitted by the Consortium (lead by Mr. Ashok Kumar Buddharaju and Mr. Ratakonda Vivek Kumar).
 - 3.3. The Resolution Professional filed an application under Section 30(6) of the Code before the Hon'ble NCLT for the approval of Resolution Plan. The Adjudicating Authority has reserved the judgement vide its order dated March 24, 2023.
4. As per our Audit and the explanation provided by the management, it is to be noted that during the Audit Period the following acts were not applicable to the Company:
 - 4.1. Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999.
 - 4.2. Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008.
 - 4.3. Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018.
 - 4.4. Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014.

**For VCSR & Associates
Company Secretaries**

**Place: Hyderabad
Date: 05.09.2023**

**Ch. Veeranjanyulu
Partner (CP No. 6392)**

Note: This report is to be read with our letter of even date which is annexed as '(Annexure- I)' and forms an integral part of this report.

‘(Annexure - I)’

To
M/s. ACS TECHNOLOGIES LIMITED
(Formerly known as LN INDUSTRIES INDIA LIMITED)
CIN: L18100TG1993PLC015268.

Our report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed to provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

**For VCSR AND ASSOCIATES
(Company Secretaries)**

**Place: Hyderabad
Date: 05.09.2023**

**CH.VEERAJANEYULU
PARTNER
CP.NO.6392
M.NO.F6121**

UDIN: F006121E000944465

CORPORATE GOVERNANCE REPORT FOR THE YEAR ENDED ON 31ST MARCH 2023**1 COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE:**

At ACS TECHNOLOGIES LIMITED(Formerly LN Industries India Limited), Corporate Governance has been an integral part of the way we are doing business. Corporate Governance is based on the principles of integrity, transparency, accountability and Commitment to values. Your Company views its Corporate Governance policies not only to comply with the statutory requirements in letter and spirit but also to aim at implementing the best practices, keeping in view the interest of all the stakeholders.

Your company takes corporate governance as a critical tool to enhance trust of the Company's Customer, employees, investors, Government and Community at large and achieve its goal of maximizing value of all its stakeholders.

The company has adopted a code of conduct for its directors and employees and officers.

2 BOARD OF DIRECTORS:

As on March 31, 2023 Company has 4 Directors. The Composition of the Board is given below:

Category	No. of directors
Non-Executive& Independent	2
Other Non-Executive Directors	0
Executive Director	1
Total	3

As per Hon'ble NCLT order No. CP(IB) NO. 17/9/HDB/2022, dated 24th March 2023 all the directors old four directors vacated and new three directors appointed.

The Composition of the Board is in the conformity with Regulation 17 of the SEBI Listing Regulations read with Section 149 of the Companies Act, 2013 – During the financial 2022-23 the organisation is in the CIRIP process hence compliance is not applicable in this case

The name and categories of Directors on the Board and number of Directorships and Committee Chairmanship/Memberships held by them in other Public Companies as on March 31, 2023 are given herein below:

Name of Director	Date of Appointment	Category	No. of Directorship(s) held in Indian public & private Limited Companies (Including ACS TECHNOLOGIES LIMITED)	Committee(s) position	
				Member	Chairman
During the financial 2022-23 the organisation is in the CIRP process hence compliance is not ascertainable in this case					

1.Attendance at Board Meetings

During the financial 2022-23 the company is in the CIRP process hence no board meeting were conducted.

2.Meetings of Independent Directors

During the period of review organization is in the process of CIRP hence no board meeting had been conducted

PERFORMANCE EVALUATION

Pursuant to the provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 (Erstwhile Clause 49 of the Listing Agreement), the Board has carried out the annual performance evaluation of its own performance, the Directors individually as well as the evaluation of the working of its Audit, Nomination and Remuneration and Compliance Committees. A structured questionnaire was prepared after taking into consideration inputs received from the Directors, covering various aspects of the Board's functioning such as adequacy of the composition of the Board audits Committees, Board culture, execution and performance of specific duties, obligations and governance.

A separate exercise was carried out to evaluate the performance of individual Directors including the Chairman of the Board, who were evaluated on parameters such as level of engagement and contribution, independence of judgement safeguarding the interest of the Company and its minority shareholders etc. The performance evaluation of the Independent Directors was carried out by the entire Board. The performance evaluation of the Chairman and the Non Independent Directors was carried out by the Independent Directors who also reviewed the performance of the Secretarial Department. The Directors expressed their satisfaction with the evaluation process.

3.COMMITTEES OF THE BOARD

(a) Audit Committee

The Audit Committee has been constituted in line with the provisions of Regulation 18 of SEBI Listing Regulations, read with Section 177 of Companies Act,2013 The Audit Committee of the Company comprises the majority of Independent Directors. -As the organization is in the CIRP process hence no meeting conducted during the financial year 2022-23 and as of date organization planning to establish committee as and when the composition of directors exists

(b) Nomination & Remuneration Committee

The Nomination & Remuneration Committee of the Company has been constituted in line with the Provisions of Regulation 19 of SEBI Listing Regulations, read with Section 178 of Companies Act,2013-- As the organization is in the CIRP process hence no meeting conducted during the financial year 2022-23 and as of date organization planning to establish committee as and when the composition of directors exists

Terms of reference of the Nomination & Remuneration Committee Comprises the following:

- To identify persons who are qualified to become directors and who may be appointed in the senior management, recommend to the Board about their appointment and removal and carry out evaluation of every director's performance;
- Formulation of the criteria for determining the qualifications, positive attributes and independence of the director and recommend to the Board a policy, relating to remuneration of the Directors, Key Managerial Personnel and other employees;
- Formulation of criteria for evaluation of Independent Directors and the Board.
- Devising a Policy on Board Diversity

(c) Stakeholders' Relationship Committee

The Stakeholder's Relationship Committee of the Company has been constituted in line with provisions of Regulation 20 of SEBI Listing Regulations read with Section 178(5) of Companies Act, 2013 - As the organization is in the CIRP process hence no meeting conducted during the financial year 2022-23 and as of date organization planning to establish committee as and when the composition of directors exists

The terms of reference of the Stakeholder's Relationship Committee Comprises:

- transfer/transmission of shares/debentures and such other securities as may be issued by the Company from time to time;
- issue of duplicate share certificates for shares/debentures and other securities reported lost, defaced or destroyed, as per the laid down procedure;
- issue new certificates against subdivision of shares, renewal, split or consolidation of share certificates / certificates relating to other securities;
- issue and allot right shares / bonus shares pursuant to a Rights Issue / Bonus Issue made by the Company, subject to such approvals as may be required;
- to grant Employee Stock Options pursuant to approved Employees' Stock Option Scheme(s), if any, and to allot shares pursuant to options exercised;
- to issue and allot debentures, bonds and other securities, subject to such approvals as may be required;
- to approve and monitor dematerialization of shares / debentures / other securities and all matters incidental or related thereto;
- to authorize the Company Secretary and Head Compliance / other Officers of the Share Department to attend to matters relating to non-receipt of annual reports, notices, non-receipt of declared dividend / interest, change of address for correspondence etc. and to monitor action taken;
- monitoring expeditious redressal of investors / stakeholder's grievances.
- all other matters incidental or related to shares, debenture

(d) Other Committees

(i) Internal Complaint Committee

The company has formed an Internal Complaint Committee as envisaged under Section 4 of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 for receiving complaints of sexual harassment. - As the organization is in the CIRP process hence no meeting conducted during the financial year 2022-23 and as of date organization planning to establish committee as and when the composition of directors exists

4. Internal Controls

The Company has a formal system of internal control testing which examines both the design effectiveness and operational effectiveness to ensure reliability of financial and operational information and all statutory / regulatory compliances. The Company's business processes are on tally and have a strong monitoring and reporting process resulting in financial discipline and accountability.

1. CEO / MD / CFO Certification

The Chairman and CFO have issued certificate pursuant to the provisions of Listing Obligations and Disclosure Requirements, Regulations, 2015 certifying that the financial statements do not contain any untrue statement and these statements represent a true and fair view of the Company’s affairs. The said certificate is annexed and forms part of the Annual Report.

2. CODE OF CONDUCT

The Board of Directors has approved a Code of Business Conduct which is applicable to the Members of the Board and all employees. The Company believes in “Zero Tolerance” to bribery and corruption in any form and the Board has laid down the “Anti-Bribery & Corruption Directive” which forms an Appendix to the Code. The Code has been posted on the Company’s website www.acstechnologies.co.in.

3. PREVENTION OF INSIDER TRADING

The Company has adopted a Code of Conduct for Prevention of Insider Trading with a view to regulate trading in securities by the Directors and designated employees of the Company. The Code requires pre-clearance for dealing in the Company’s shares and prohibits the purchase or sale of Company shares by the Directors and the designated employees while in possession of unpublished price sensitive information in relation to the Company and during the period when the Trading Window is closed. The Company Secretary & Head Compliance is responsible for implementation of the Code. All Board Directors and the designated employees have confirmed compliance with the Code.

4. Means of Communication

i. Half yearly report sent to each shareholders registered address	No
ii. In which newspapers quarterly results were normally published	English & Regional
iii. Any Website where results or official news are displayed	www.acstechnologies.co.in

5. Management Discussion & Analysis

Management Discussion & Analysis is covered separately as a part of the Annual Report.

6. General Shareholder Information

(a) Market Information

i. Listing on Stock Exchanges

The Company’s shares are listed on the following Stock Exchanges and the Listing Fees have been not paid to the Exchanges

Name & Address of the Stock Exchanges	Stock Code	Code/Scrip	ISIN Number for NSDL/CDSL (Dematerialised share)
BSE Limited PhirozeJeejeebhoy Towers, Dalal Street, Mumbai 400001	530745		INE366C01013

ii. Share Price on BSE vis-à-vis BSE Sensex April 2022 - March 2023

Listing is under suspension, hence no trading in shares during financial year 2022-23

iii. Share transfer system / dividend and other related matters.

a. Share transfers

Share transfers in physical form are processed and the share certificates are generally returned to the transferees within a period of fifteen days from the date of receipt of transfer provided the transfer documents lodged with the Company are complete in all respects.

b. Nomination facility for shareholding

As per the provisions of the Companies Act, 2013, facility for making nomination is available for Members in respect of shares held by them. Members holding shares in physical form may obtain nomination form, from the Share Department of the Company or download the same from the Company's website. Members holding shares in dematerialized form should contact their Depository Participants (DP) in this regard.

c. Permanent Account Number (PAN)

Members who hold shares in physical form are advised that SEBI has made it mandatory that a copy of the PAN card of the transferee/s, members, surviving joint holders / legal heirs be furnished to the Company while obtaining the services of transfer, transposition, transmission and issue of duplicate share certificates.

d. Dividend

Since your company is under Liquidation as a going Concern still 24th March 2023 and incurring losses, the members expresses his inability to recommend any dividend for the financial year 2022 - 2023. Also, during the period under review, profits were not appropriated to any reserves.

e. Reconciliation of Share Capital Audit

As required by the Securities & Exchange Board of India (SEBI) quarterly audit of the Company's share capital is being carried out by an independent external auditor with a view to reconcile the total share capital admitted with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and held in physical form, with the issued and listed capital. The Auditors' Certificate in regard to the same is submitted to BSE Limited and is also placed before Stakeholders' Relationship Committee and the Board of Directors.

f. Dematerialisation of Shares and Liquidity

The break-up of equity shares held in Physical and Dematerialised form as on March 31, 2023, is given below: -

Since due to Hon'ble NCLT order on 24th march 2023 the records and corporate actions are in process

Particulars	No. of Shares	Percentage
Physical Segment	0	0
NSDL	0	0
CDSL	0	0
Total	0	0

g. Distribution of Shareholding as on March 31, 2023

As per NCLT order No. CP(IB) NO.17/9/HDB/2022 ,Dated 24.03.2023, all promoter shareholding cancelled and 98% public shareholding had been cancelled.

The process of corporate actions is in process

h. Statement showing Shareholding of more than 1% of the Capital as on March 31, 2023:

As per NCLT order No. CP(IB) NO.17/9/HDB/2022 ,Dated 24.03.2023, all promoter shareholding cancelled and 98% public shareholding had been cancelled.

The process of corporate actions is in process

AGM – No AGM was conducted during the year 2021-22

Extraordinary General Meeting (EGM)

No EGM was held during the year under review,

Financial Calendar 2023:

AGM – Date, time and venue	Date:30.09.2023, Time: 12.00 P.M Address:
Financial Year	2022-23
Book Closure Date	24 th September 2023- 30 th September 2023
Stock Code	530745
Registrar & Transfer Agents	skyline Financial Services Pvt. Ltd. A/505, Dattani Plaza, Andheri Kurla Road, Safeed Pool, Mumbai-400072. Email: subhashdhingreja@skylinerta.com
Board Meeting for consideration of Accounts for the financial year ended March 31, 2023	30 th June 2023

**By order of the Board
For ACS TECHNOLOGIES LIMITED**

**Date: 05/09/2023
Place: Hyderabad**

**Ashok Kumar Buddharaju
Chairman and Managing Director
DIN : 03389822**

ANNEXURE - I TO THE DIRECTORS REPORT

Form No. AOC-2

[Pursuant to clause (h) of sub-section (3) of Section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014]

Disclosure of particulars of contracts/arrangements entered into by the Company with related parties referred to in sub-section (1) of Section 188 of the Companies Act, 2013 including certain arms length transactions under third proviso thereto.

1. Details of contracts or arrangements or transactions not at arm's length basis: Nil

- a) Name(s) of the related party and nature of relationship
- b) Nature of contracts/arrangements/transactions
- c) Duration of the contracts/arrangements/transactions
- d) Salient terms of the contracts or arrangements or transactions including the value, if any
- e) Justification for entering into such contracts or arrangements or transactions
- f) Date(s) of approval by the Board
- g) Amount paid as advances, if any
- h) Date on which the special resolution was passed in general meeting as required under first proviso to Section 188

2. Details of material contracts or arrangement or transactions at arm's length basis: Nil

- a) Name(s) of the related party and nature of relationship
- b) Nature of contracts/arrangements/transactions
- c) Duration of the contracts/arrangements/transactions
- d) Salient terms of the contracts or arrangements or transactions including the value, if any
- e) Date(s) of approval by the Board, if any
- f) Amount paid as advances, if any

**By order of the Board
For ACS TECHNOLOGIES LIMITED**

**Date: 05/09/2023
Place: Hyderabad**

**Ashok Kumar Buddharaju
Chairman and Managing Director
DIN : 03389822**

MANAGEMENT DISCUSSION & ANALYSIS REPORT

1. OVERVIEW OF ECONOMY

The revitalization of global economy continued during the calendar year 2013 and the global economy ended the year on a better footing as compared to the start of the year. The growth momentum is expected to be carried forward during the year 2022-23.

The financial statements have been prepared in accordance with the requirements of the Companies Act, 2013, guidelines issued by the Securities and Exchange Board of India (SEBI) and the Generally Accepted Accounting Principles (GAAP) in India. Our Management accepts responsibility for the integrity and objectivity of these financial statements, as well as for the various estimates and judgments used therein. The estimates and judgments relating to the financial statements have been made on a prudent and reasonable basis, so that the financial statements reflect the true and fair manner the form and substance of the transactions, and reasonably present our state of affairs, profit and cash flows for the year.

2. OVERVIEW OF INDUSTRY

The Industry is experiencing improved sentiment of consumers drove spending in technology products. An increasing acceptance of the fact that digital technologies will impact business models, processes, new products and services offerings, access to new markets, new customer base and will open up completely new set of opportunities for their companies, is a common feature across industries and markets.

3. OUR BUSINESS

The breadth and depth of 'ACS Technologies Ltd.' domain and technology expertise has been built over last 5 years through a unique combination of long standing customer relationships, investments in people and through continuous investments in new technologies.

The Company has been steadily expanding its customer base, infrastructure, service lines and industries. The growth momentum of the Company continues to deliver strong financial results, attract top domestic talent and win new customers and strengthen existing customer relationships.

4. OPPORTUNITIES, THREATS & OUTLOOK

In India we have been focusing on the increasing distribution network and product basket. With large population, increasing urbanization and disposable income, the industries in which we operate provide sustainable growth on a longer-term basis. Robust growth of emerging economies provides large opportunities to the Company. We are a well-established Company in these economies and will continue to focus on the growth, new product launches and increasing distribution strength. In other mature economies, the market trend is changing favorably. The strategy of the company is to get higher profitability and stable cash flow generations in these markets.

5. RISKS, CONCERNS & THREATS:

The company is exposed to a variety of risks across its entire range of business operations. Any slowdown in these sectors can largely impact the demand for the company's products. In India, optimism is growing about the prospect of an economic recovery following a slowdown triggered by the global financial crisis.

6. INTERNAL CONTROL SYSTEMS & ADEQUACY

The Company has adequate internal control systems in place. These systems are continuously monitored, periodically reviewed and wherever necessary are modified as per the requirements for exercising effective controls.

7. SEGMENT WISE OR PRODUCT WISE PERFORMANCE: Not Applicable

8. HUMAN RESOURCES, INDUSTRY DEVELOPMENT RELATIONS

The company recognizes the importance and contribution of the employees. Human Resources is viewed to be as one of the most important factor in the growth process with a view to cross further frontiers in business performance, the company strives to organize training modules for understanding and improving the core skills of the employees. It is the continuous effort by the continuous effort by the company that helps to provide the right environment in order to maximize team efforts while exploiting individual growth of the company.

9. SENIOR MANAGEMENT DISCLOSURES

The Company's senior management makes disclosures to the Board relating to all material financial and commercial transactions as when they occur.

10. CAUTIONARY STATEMENT

Statements in the Management Discussion and Analysis describing the Company's objectives, projections, estimates, expectations may be "forward looking statements" within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to the Company's operations include economic conditions affecting demand/supply and price conditions in the domestic and international markets in which the Company operates, changes in the Government regulations, tax laws and other statues and other incidental factor.

**DECLARATION REGARDING COMPLIANCE BY BOARD MEMBERS AND SENIORMANAGEMENT PERSONNEL
WITH COMPANY'S CODE OF CONDUCT**

To,
The Members,
ACS TECHNOLOGIES LIMITED(Formerly LN Industries India Limited),
Level-7, Pardha Picasa Building, Madhapur,
Durgam Cheruvu road,
Hyderabad-500081.

I, Mr. Ashok Kumar.B, Chairman and Managing Director of the Company hereby certify that the Board of Directors of ACS TECHNOLOGIES LIMITED has adopted a code of conduct for the Board Members and Senior Management of the Company ("the code"). The code is available on the website of the Company at www.acstechnologies.co.in

Pursuant to Clause D of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 (erstwhile Clause 49(I)(D)(ii) of the Listing Agreement), I hereby declare that all Board members and Senior Management personnel have affirmed compliance with the Code for the financial year ended March 31, 2022.

For ACS TECHNOLOGIES LIMITED

Date: 05/09/2023
Place: Hyderabad

Ashok Kumar Buddharaju
Chairman and Managing Director
DIN : 03389822

CERTIFICATE PURSUANT TO REGULATION 17(8) OF SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

To,
The Members,
ACS TECHNOLOGIES LIMITED(Formerly LN Industries India Limited),
Level-7, Pardha Picasa Building, Madhapur,
Durgam Cheruvu road,
Hyderabad-500081.

We have reviewed the Financial Statements and the Cash Flow statement of M/s ACS TECHNOLOGIES LIMITED for the year ended March 31, 2023 and to the best of our knowledge and belief:

- (a) (i) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
(ii) These statements together present a true and fair view of the Company's affairs and are in compliance with existing Accounting Standards, applicable laws and regulations.
- (b) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's Code of Conduct.
- (c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting and have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take for rectifying these deficiencies.
- (d) We have indicated to the Auditors and the Audit Committee:
 - (i) Significant changes in internal control over financial reporting during the year;
 - (ii) Significant changes in accounting policies made during the year and the same have been disclosed in the notes to the financial statements; and
- (ii)** Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

**By order of the Board
For ACS TECHNOLOGIES LIMITED**

**Date: 05/09/2023
Place: Hyderabad**

**Ashok Kumar Buddharaju
Chairman and Managing Director
DIN : 03389822**

Practicing Company Secretaries' Certificate on compliance with the conditions of Corporate Governance as per provisions of Chapter IV of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

To

M/s. ACS TECHNOLOGIES LIMITED
(Formerly LN INDUSTRIES INDIA LIMITED)
CIN: L18100TG1993PLC015268,

1. We, VCSR & Associates, Company Secretaries, the Secretarial Auditors of **M/s. ACS TECHNOLOGIES LIMITED (Formerly LN INDUSTRIES INDIA LIMITED)** ("the Company"), have examined the compliance of conditions of Corporate Governance by the Company, for the year ended on March 31, 2023, as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C and D of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the Listing Regulations). This report is required by the Company for annual submission to the stock exchange and to be sent to the Shareholders of the Company.

Managements' Responsibility

2. The compliance of conditions of Corporate Governance is the responsibility of the Management including the preparation and maintenance of all relevant supporting records and documents. This responsibility also includes the design, implementation and maintenance of internal control and procedures to ensure the compliance with the conditions of the Corporate Governance stipulated in Listing Regulations.

Our Responsibility

3. Our responsibility is limited to examining the procedures and implementation thereof, adopted by the Company for ensuring compliance with the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

4. We have examined the books of account and other relevant records and documents maintained by the Company for the purposes of providing reasonable assurance on the compliance with Corporate Governance requirements by the Company.

5. We have carried out an examination of the relevant records of the Company in accordance with the Guidance Note on Certification of Corporate Governance issued by the Institute of the Company Secretaries of India (the ICSI).

6. The procedures selected depend on our judgement, including the assessment of the risks associated in compliance of the Corporate Governance Report with the applicable criteria. The procedures include but not limited to verification of secretarial records and financial information of the Company and obtained necessary representations.

7. The procedures also include examining evidence supporting the particulars in the Corporate Governance Report on a test basis. Further, our scope of work under this report did not involve us performing audit tests for the purposes of expressing an opinion on the fairness or accuracy of any of the financial information or the financial statements of the Company taken as a whole.

Opinion

8. Based on our examination of the relevant records and according to the information and explanations provided to us and the representations provided by the Management, we certify that the Company has not complied with the conditions of Corporate Governance as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C and D of Schedule V of the Listing Regulations during the year ended March 31, 2023 view following reasons;

No Compliance during the year due to the company's involvement in the CIRP. The National Company Law Tribunal ("NCLT"), Hyderabad Bench, vide Order dated July 01, 2022 ("Insolvency Commencement Order") had initiated Corporate Insolvency Resolution Process ("CIRP") against the Company based on the petition filed by the Operational Creditor under Section 9 of the Insolvency and Bankruptcy Code, 2016 ("the Code"). Mr. M. Madhusudhana Reddy was appointed as an Interim Resolution Professional ("IRP") to manage affairs of the Company in accordance with the provisions of the Code. Thereafter, pursuant to the Insolvency Commencement Order and in consonance with the stipulation contained in Section 17 of the IBC, 2016, the powers of the Board of Directors of the Company stand suspended and the same are vested and exercised by Mr. M. Madhusudhana Reddy, Resolution Professional (RP) w.e.f. July 01, 2022. Members of the Committee of Creditors (CoC) in their 06th Meeting held on December 02, 2022 considered the resolution plans and approved the resolution plan submitted by the Consortium (lead by Mr. Ashok Kumar Buddharaju and Mr. Ratakonda Vivek Kumar). The Resolution Professional filed an application under Section 30(6) of the Code before the Hon'ble NCLT for the approval of Resolution Plan. The Adjudicating Authority has reserved the judgement vide its order dated March 24, 2023. No Board Meetings have transpired during the year due to the company's involvement in the CIRP.

9. We state that such compliance/non-Compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

Restriction on Use

10. This report is addressed to and provided to the members of the Company solely for the purpose of enabling it to comply with its obligations under the Listing Regulations and should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care or for any other purpose or to any other party to whom it is shown or into whose hands it may come without our prior consent in writing. We have no responsibility to update this report for events and circumstances occurring after the date of this report.

**For VCSR AND ASSOCIATES
(Company Secretaries)**

Place: Hyderabad

Date: 05.09.2023

**CH.VEERAJANEYULU
PARTNER
CP.NO.6392
M.NO.F6121**

UDIN: F006121E000944366

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,
The Members,
ACS TECHNOLOGIES LIMITED(Formerly LN Industries India Limited),
Level-7, Pardha Picasa Building, Madhapur,
Durgam Cheruvu road,
Hyderabad-500081.

I/We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **ACS TECHNOLOGIES LIMITED** having CIN:L62099TG1993PLC015268 and having registered office at Pardha Picasa Level 7,Durgam Cheruvu Road, Madhapur Madhapur Shaikpet Hyderabad TG 500081 IN. (Hereinafter referred to as '**the Company**'), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in as considered necessary and explanations furnished to me by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2023 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

S. No.	Name of Director	DIN	Date of appointment in Company
1.	ASHOK KUMAR BUDDHARAJU	03389822	25/04/2023
2.	RAMA DEVI BUDDHARAJU	07026035	25/04/2023
3.	ANITHA ALOKAM	07309591	25/04/2023

Ensuring the eligibility of for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

**For VCSR AND ASSOCIATES
(Company Secretaries)**

**Place: Hyderabad
Date: 05.09.2023**

**CH.VEERAJANEYULU
PARTNER
CP.NO.6392
M.NO.F6121**

UDIN: F006121E000944432

**STANDALONE FINANCIAL
STATEMENTS & NOTES**

INDEPENDENT AUDITOR'S REPORT

**To
The Members of
LN Industries India Limited**

Report on the Standalone financial statements

Opinion

We have audited the accompanying Standalone financial statements of **LN Industries India Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2023 and the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the Standalone financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013, as amended (the "Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023, and its profit, total comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of standalone financial statements in accordance with the Standards on Auditing (SAs), as specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Companies Act, 2013 and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics.

We believe that the audit evidence obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

EMPHASIS OF MATTER

We draw your attention to Note 2.6 of the Standalone Ind AS financial statements regarding the merger of ACS Technologies Limited (transferor company) into the company with effect from 01 April 2022 and its consequential impacts as detailed in the said note. As specified in the scheme of merger, it has been accounted as specified in Indian Accounting Standard 103 – Business Combinations. All assets and liabilities of transferor company have been recorded at their respective existing book values. The difference between the book values of the net assets so recorded and the consideration being the face value of equity shares issued by the Company to the shareholders of transferor company amounting to INR 269,900.47 thousand has been recognised as Goodwill. The goodwill so recognised in the books on account of this merger is not amortized in the Financial Year 2022-23.

Information Other than the Standalone financial statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Report of the Board of Directors including Annexures thereto, Management Discussion and Analysis Report, but does not include the consolidated financial statements, standalone financial statements and our auditor's report thereon.

Our opinion on the Standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibility of Management and Those Charged with Governance for the Standalone financial statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the Ind AS and other accounting principles the accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Standalone financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone financial statements

Our objectives are to obtain reasonable assurance about whether the Standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but it is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Standalone financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the

company has adequate internal financial controls system with reference to standalone financial statements in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Standalone financial statements, including the disclosures, and whether the Standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the standalone financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the 'Annexure B' a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, based on the audit report we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

- b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account
- d) In our opinion, the aforesaid Standalone financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act
- e) On the basis of the written representations received from the directors as on March 31, 2023, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2023 from being appointed as a director in terms of Section 164 (2) of the Act.
- f) With respect to the adequacy of the internal financial controls with reference to standalone financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls with reference to Standalone Financial Statement.
- g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended,
In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.
- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The company does not have any pending litigations which would impact its financial position except those disclosed in Standalone financial statements.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
 - iv. (a) The management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(b) The management has represented, that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

(c) Based on such audit procedures that we have considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations, as provided under (a) and (b) above, contain any material misstatement.

- v. The company has not declared or paid any dividend during the year.
- vi. Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the Company w.e.f. April 1, 2023, and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended March 31, 2023.

For Gorantla & Co
Chartered Accountants
Firm's Registration No.: 016943S

Sriranga Gorantla
Partner
Membership No.: 222450
UDIN - 23222450BGWMYV6829

Place: Hyderabad
Date: 30-05-2023

Annexure 'A' to the Independent Auditor's Report of LN Industries India Limited for the Year ended 31st March 2023

(Referred to in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of LN Industries India Limited of even date)

Report on the Internal Financial Controls With reference to Standalone Financial Statements under Clause (i) of sub-section 3 of Section 143 of the Companies Act, 2013 (the "Act")

We have audited the internal financial controls with reference to Standalone Financial Statements of LN Industries India Limited (the "Company") as of March 31, 2023 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Management of the Company is responsible for establishing and maintaining internal financial controls with reference to standalone financial statements based on the internal control Over Financial Reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to Standalone Financial Statements of the Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the ICAI and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to Standalone Financial Statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to Standalone Financial Statements and their operating effectiveness. Our audit of internal financial controls with reference to Standalone Financial Statements included obtaining an understanding of internal financial controls with reference to Standalone Financial Statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained, is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system with reference to Standalone Financial Statements.

Meaning of Internal Financial Controls with reference to Standalone Financial Statements

A company's internal financial control with reference to Standalone Financial Statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the

preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to Standalone Financial Statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with reference to Standalone Financial Statements

Because of the inherent limitations of internal financial controls Over Financial Reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to Standalone Financial Statements to future periods are subject to the risk that the internal financial control with reference to Standalone Financial Statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system with reference to Standalone Financial Statements and such internal financial controls with reference to Standalone Financial Statements were operating effectively as at March 31, 2023, based on the criteria for internal financial control with reference to Standalone Financial Statements established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

For **Gorantla & Co**

Chartered Accountants

Firm's Registration No.: 016943S

Sriranga Gorantla

Partner

Membership No.: 222450

UDIN - 23222450BGWMYV6829

Place: Hyderabad

Date: 30-05-2023

Annexure 'B' to the Independent Auditor's Report

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of LN Industries India Limited of even date)

In terms of the information and explanations sought by us and given by the Company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that:

- i) In respect of the Company's Property, Plant and Equipment:
 - a) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment. The Company has maintained proper records showing full particulars of intangible assets.
 - b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has a regular programme of physical verification of its property, plant and equipment by which all Property, plant and equipment are verified in a phased manner over a period of two years. In accordance with this programme, Property, plant and equipment were verified during the year. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification
 - c) According to the information and explanations given to us, based on our examination of the registered sale deeds for non-agricultural land provided to us, we report that, the title in respect of the immovable properties disclosed in the financial statements included under property, plant and equipment are held in the name of the Company as at the balance sheet date
 - d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not revalued its property, plant and equipment (including Right-of-use assets) or intangible assets during the year ended March 31, 2023.
 - e) According to the information and explanations given to us, there are no proceedings initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.
- ii) In respect of the company's inventory:
 - (a) The management has conducted physical verification of inventory at reasonable intervals during the year, except for inventory lying with third parties. In our opinion, the coverage and procedure of such verification by the management is appropriate and no discrepancies of 10% or more in the aggregate for each class of inventory were noticed. In respect of inventory lying with third parties, these have substantially been confirmed by the third parties.
 - (b) The Company has been sanctioned working capital limits in excess of ₹ 5 crore, in aggregate, during the year, from banks or financial institutions on the basis of security of first charge on fixed assets, second charge on current assets and collateral charge on property. The quarterly statements, in respect of the working capital limits have been filed by the Company with such banks and such statements are in agreement with the books of account of the Company for the respective periods, which were not subject to audit/review.

- iii) The Company has not provided guarantee or granted any loans or security or granted any advances in the nature of loans, secured or unsecured, to companies, firms, limited liability partnerships or any other parties during the year. The Company has made investment in one company during the year.

According to the information and explanations given to us and on the basis of our examination of the records of the Company.

- (a) The Company has not provided any loans or advances in the nature of loans or stood guarantee or provided security to any other entity during the year. Accordingly, reporting on clause 3(iii)(a) of the Order is not applicable to the Company.
- (b) Based on the audit procedures conducted by us, we are of the opinion that the terms and conditions of the investment made are, prima facie, not prejudicial to the interest of the Company.
- (c) The Company has not granted any loans or advances in the nature of loans, secured or unsecured, during the year. Accordingly, the requirement to report on clause 3(iii)(c) of the Order is not applicable to the Company.
- (d) The Company has not granted any loans or advances in the nature of loans, secured or unsecured, during the year. Accordingly, the requirement to report on clause 3(iii)(d) of the Order is not applicable to the Company.
- (e) The Company has not granted any loans or advances in the nature of loans, secured or unsecured, during the year. Accordingly, the requirement to report on clause 3(iii)(e) of the Order is not applicable to the Company.
- (f) The Company has not granted any loans or advances in the nature of loans, secured or unsecured, during the year. Accordingly, the requirement to report on clause 3(iii)(f) of the Order is not applicable to the Company.
- iv) According to the information and explanations given to us and on the basis of our examination of the records, the Company has not given any loans, or provided any guarantee or security as specified under Section 185 of the Companies Act, 2013 Further, the Company has complied with the provisions of Section 186 of the Companies Act, 2013 in relation to investments made.
- v) The Company has not accepted any deposits during the year to which the provisions of section 73 to 76 of the Companies Act, 2013 and Companies (Acceptance of deposits) Rules, 2014 apply. According to the information and explanation given to us no order has been received from Company Law Board, National Company Law Tribunal or Reserve Bank of India or any court or tribunal by the Company. Hence, the requirement to report on clause 3 (v) of the Order is not applicable to the Company.
- vi) According to the information and explanations given to us, the maintenance of cost records has not been specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013 for the business activities carried out by the Company. Accordingly, clause 3(vi) of the Order is not applicable to the Company.
- vii) The Company does not have liability in respect of Sales tax, Service tax, Duty of excise and Value added tax during the year since effective July 1, 2017, these statutory dues has been subsumed into GST:
- (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including Goods and Services Tax ('GST'),

Provident fund, Employees' State Insurance, Income-tax, Duty of Customs, Cess and other material statutory dues have generally been regularly deposited with the appropriate authorities.

According to the information and explanations given to us, no undisputed amounts payable in respect of GST, Provident fund, Employees' State Insurance, Income-tax, Duty of Customs, Cess and other material statutory dues were in arrears as at March 31, 2023 for a period of more than six months from the date they became payable

- (b) The dues of goods and services tax, provident fund, employees' state insurance, income-tax, sales- tax, service tax, duty of custom, duty of excise, value added tax, cess, and other statutory dues have not been deposited on account of any dispute, are as NIL
- viii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income-tax Act, 1961 as income during the year.
- ix) According to the information and explanations given to us and on the basis of our examination of the records of the Company.
 - a) In our opinion, the Company has not defaulted in repayment of loans or borrowings, or in the payment of interest thereon to any lender during the year.
 - b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
 - c) The Company has not taken any term loan during the year and hence, requirement to report on clause 3 (ix)(c) of the Order is not applicable to the Company.
 - d) We report that no funds have been raised on short-term basis by the Company. Accordingly, requirement to report on clause 3(ix)(d) of the Order is not applicable to the Company.
 - e) On overall examination of the financial statements, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiary.
 - f) The Company has not raised loans during the year on pledge of securities held in its subsidiary.

x) In respect of money raised:

- (a) The company has not raised any monies by way of an Initial Public Offer or further public offer (including debt instruments) during the year. Accordingly, the requirement to report on clause 3(x)(a) of the Order is not applicable to the Company.
- (b) During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause 3(x)(b) of the Order is not applicable.

The requirements of section 42 and section 62 of the Companies Act, 2013 have been complied with and the funds raised have been used for the purposes for which the funds were raised,

- xi) In respect of frauds:
- (a) Based on examination of the books and records of the Company and according to the information and explanations given to us, considering the principles of materiality outlined in Standards on Auditing, we report that no fraud by the Company or on the Company has been noticed or reported during the course of the audit.
 - (b) No report under sub-section (12) of Section 143 of the Companies Act, 2013 has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government during the year and up to the date of this report.
 - (c) No whistle blower complaints were received during the year.
- xii) In our opinion and explanation given to us, the company is not Nidhi company and the Nidhi Rules, 2014 not applicable to it. Accordingly, paragraph 3 (xii) of the order is not applicable to the company.
- xiii) In our opinion and according to the information and explanations given to us, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013 where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the standalone financial statements as required by the applicable Indian accounting standards.
- xiv) In respect of Internal Audit:
- a) Based on information and explanations provided to us and our audit procedures, in our opinion, the company has an internal audit system commensurate with the size and nature of its business.
 - b) We have considered the internal audit reports for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures.
- xv) In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its Directors or persons connected to its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.
- xvi) (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(a) of the Order is not applicable.
- (b) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(b) of the Order is not applicable.
 - (c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, clause 3(xvi)(c) of the Order is not applicable.
 - (d) According to the information and explanations provided to us during the course of audit, the Group does not have any CIC. Accordingly, the requirements of clause 3(xvi)(d) are not applicable.
- xvii) Accordingly, information and explanation given to us, and based on the audit procedure performed and the representation obtained from the management, the Company does not have any cash losses during the financial year covered by our audit and incurred cash losses of INR 1,00,000/- in the immediately preceding financial year.

- xviii) There has been no resignation of the statutory auditors of the Company during the year.
- xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- xx) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company does not meet the applicability threshold of Section 135 of the Companies Act, 2013. Accordingly, clauses 3(xx) of the Order are not applicable.

For **Gorantla & Co**
Chartered Accountants
Firm's Registration No.: 016943S

Sriranga Gorantla
Partner
Membership No.: 222450
UDIN – 23222450BGWMYV6829

Place: Hyderabad
Date: 30-05-2023

LN INDUSTRIES INDIA LIMITED

Notes to the Standalone financial statements for the year ended March 31, 2023

1 Corporate information

The standalone financial statements comprise financial statements of LN Industries India Limited ("the Company") for the year ended March 31, 2023. The Company is a Company domiciled in India and incorporated under the provisions of Companies Act applicable in India on, 28 April, 1995. Its shares are listed on recognized stock exchanges of India, the Bombay Stock Exchange Limited. The registered office of the Company is located at Level 7, Pardha's Picasa, Madhapur, Hyderabad – 500081 Telangana, India.

The company is primarily engaged in the business as "System Integrator, Security and Surveillance, IOT Solutions, Software Products and Services" in the area of Information Technology.

The company was admitted in NCLT and Resolution Plan submitted by Mr. Ashok Kumar Buddharaju and Mr. Vivek Ratakonda was given consent by CoC. Hon'ble NCLT issued order dated 24th March, 2023 in respect of the resolution plan submitted by them and declared as successful resolution applicants. ACS Technologies Limited has been merged with the company as a part of the scheme of the arrangement mentioned in the resolution plan. Such merger is effective from the financial year 2022-23, hence the financials shown in the statements are including the financials of ACS Technologies Limited. Consideration offered by the Resolution Applicants in the plan has brought in well within the timelines given in the Hon'ble NCLT order. Such consideration has been disbursed to the respective parties as a per the approved resolution plan.

Successful Resolution Applicants took over the management affairs of the company including the induction directors in the board and appointment of key management personnel. The company is in the process of completing the other procedures as mentioned in the successful resolution plan and approach Bombay Stock Exchange for listing of shares as per the approved resolution plan.

The standalone financial statements are approved for issue by the Company's Board of Directors on 30th May, 2023.

2 Significant Accounting Policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Indian Accounting Standards (referred to as "Ind AS") as notified under the Companies (Indian Accounting Standards) Rules, 2015 read with Section 133 of the Companies Act, 2013 (as amended from time to time) and presentation requirements of Division II of Schedule III to the Companies Act, 2013, (Ind AS compliant Schedule III), as applicable to the standalone financial statement.

These financial statements have been prepared in Indian Rupee which is also the functional currency of the Company and all values are rounded to the thousands, except when otherwise indicated. These financial statements have been prepared on historical cost basis, except for certain financial assets and liabilities which are measured at fair value or amortized cost at the end of each reporting period, as explained in the accounting policies below.

2.2 Significant accounting judgements, estimates and assumptions.

The preparation of the Company's standalone financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Critical accounting estimates

- i. **Goodwill:** Excess consideration paid over business value transferred under scheme of arrangement is considered as Goodwill and will be impaired over a period of time on straight line basis.
- ii. **Taxes:** Deferred tax assets are recognized to the extent that it is probable that taxable profit will be available against which the same can be utilized. A significant management judgement is required to determine the amount of deferred tax assets that can be recognized, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.
- iii. **Provisions and Contingent Liability:** The timing of recognition and quantification of the liability (including litigations) requires the application of judgement to existing facts and circumstances, which can be subject to change. The carrying amounts of provisions and liabilities are reviewed regularly and revised to take account of changing facts and circumstances.

2.3 Current versus non-current classification

The Company presents assets and liabilities in the standalone balance sheet based on current/non-current classification.

An asset is treated as current when it is:

- i. "Expected to be realized or intended to be sold or consumed in normal operating cycle,"
- ii. Held primarily for the purpose of trading,
- iii. Expected to be realized within twelve months after the reporting period, or
- iv. Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

- i. It is expected to be settled in the company's normal operating cycle.
- ii. It is held primarily for the purpose of being traded;
- iii. It is due to be settled within twelve months after the reporting date; or
- iv. The company does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting date. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

All other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

Operating cycle for current and non-current classification

Operating cycle is the time between the acquisition of assets for processing and their realization in cash or cash equivalents. The company has taken Operating cycle to be twelve months.

2.4 Fair value measurement of financial instruments

The Company measures financial instruments, such as, Investments at fair value at each balance sheet date using valuation techniques. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- a) In the principal market for the asset or liability, or
- b) In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the standalone financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities.

Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.

Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable For assets and liabilities that are recognized in the standalone financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For assets and liabilities that are recognized in the standalone financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

2.5 Property, Plant and Equipment

Property, plant and equipment are stated at cost, less accumulated depreciation and accumulated impairment losses, if any. The cost comprises purchase price, borrowing costs if capitalization criteria are met, directly attributable cost of bringing the asset to its working condition for the intended use and initial estimate of decommissioning, restoring and similar liabilities. Any trade discounts and rebates are deducted in arriving at the purchase price. Such a cost includes the cost of replacing part of the plant and equipment. When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognized in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognized in profit or loss as incurred. Gains or losses arising from derecognition of Property, plant and equipment are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.

2.6 Intangible asset

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortization and accumulated impairment losses. The useful lives of intangible assets are assessed as either finite or indefinite. Intangible assets with finite lives are amortized over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortization period and the amortization method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period with the affect of any change in the estimate being accounted for on a prospective basis. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortization period or method, as appropriate, and are treated as changes in accounting estimates. The amortization expense on intangible assets with finite lives is recognized in the statement of profit and loss unless such expenditure forms part of carrying value of another asset.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.

Business Combination

ACS Technologies Limited merged with the company as per the scheme of arrangement approved by the Hon'ble NCLT, Hyderabad bench vide its order dated CP(IB) No.17/9/HDB/2022 dated 24th March, 2023.

Goodwill calculation statement

INR in Thousands

Particulars	Amount
Book value of assets and liabilities transferred	
Property, plant and Equipment	1,18,130.45
Investments	20,050.53
Current Assets	6,53,606.80
Total Assets	7,91,787.78
Reserves & Surplus	2,61,364.48
Non Current Liabilities	58,398.04
Current Liabilities	2,02,124.80
Total Liabilities	5,21,887.31
Net Assets	2,69,900.47
Face value of equity shares of 5,39,80,094 Number issued to shareholders of ACS Technologies Limited	5,39,800.94
Goodwill	2,69,900.47

* During the year, the company has recognised goodwill amounting to Rs. 26,99,00,470/- arising out of the scheme of arrangement of merger of ACS Technologies Limited. The company is amortising goodwill over a period of 10 years on straight line basis from the year 2023-24 as the scheme of arrangement order has pronounced on 24th March, 2023 and received in the month of April 2023.

2.7 Depreciation and Amortization

Depreciation on Property, plant and equipment is provided on the written down value basis over the useful lives of assets specified in Schedule II to the Companies Act, 2013.

Software being intangible asset is amortized on written down value basis over a period of 6 years.

Goodwill being intangible asset is amortized on straight line basis over a period of 10 years.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate. The amortization period and the amortization method are reviewed at least at each financial year end.

2.8 "Impairment of Financial and Non-Financial Assets"

"The impairment provisions for Financial Assets are based on assumptions about risk of default and expected cash loss rates. The Company uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period."

In the case of non-financial assets, assessment of impairment indicators involves consideration of future risks. Further, the company estimates the assets' recoverable amount, which is higher of an asset's or Cash Generating Units (CGU's) fair value less costs of disposal and its value in use.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account, if no such transactions can be identified, an appropriate valuation model is used.

2.9 Revenue Recognition

The company is primarily engaged in the business as “System Integrator, Security and Surveillance, IOT Solutions, Software Products and Services” in the area of Information Technology.

Revenue from operation

Revenues from customer contracts are considered for recognition and measurement when the contract has been approved by the parties, in writing, to the contract, the parties to contract are committed to perform their respective obligations under the contract, and the contract is legally enforceable. Revenue is recognized upon transfer of control of promised products or services (“performance obligations”) to customers in an amount that reflects the consideration the Company has received or expects to receive in exchange for these products or services (“transaction price”). When there is uncertainty as to collectability, revenue recognition is postponed until such uncertainty is resolved.

Contract balances

i. Trade receivables: The amounts billed on the customer for work performed and are unconditionally due for payment i.e., only passage of time is required before payment falls due, are disclosed in the balance sheet as trade receivables.

ii. Contract liabilities: A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration or is due from the customer. If a customer pays consideration before the Company transfers goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier).

Contract liabilities are recognised as revenue when the Company performs under the contract.

Interest income

Interest income from a financial asset is recognised using an effective interest rate method.

Dividend

Dividend income is recognised when the Company's right to receive the payment is established, which is generally when shareholders approve the dividend.

2.10 Taxes on income

Current income tax

Tax expense for the year comprises current and deferred tax. The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the standalone statement of profit and loss because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Company's liability for current tax is calculated using the tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

"Deferred tax liabilities are recognised for all taxable temporary differences, except:"

- i. When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.
- ii. In respect of taxable temporary differences associated with investments in subsidiary and interests in joint ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except:

- i. When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.
- ii. In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognized deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

"All other acquired tax benefits realized are recognised in profit or loss."

2.11 Earnings Per Share

Basic earnings per equity share is computed by dividing the net profit attributable to the equity shareholders of the Company by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period is adjusted for events such as fresh issue, bonus issue that have changed the number of equity shares outstanding, without a corresponding change in resources.

Diluted earnings per equity share is computed by dividing the net profit attributable to the equity shares holders of the Company by the weighted average number of equity shares considered for deriving basic earnings per equity share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations. Potential dilutive equity shares are deemed to be converted as at the beginning of the period, unless they have been issued at a later date. Dilutive potential equity shares are determined independently for each period presented.

2.12 Leases

Where the Company is lessee

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

i) Right-of-use asset

"The Company recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

The right-of-use assets are also subject to impairment."

ii) Lease Liabilities

At the commencement date of the lease, the company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Company exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index

or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

iii) Short-term leases and leases of low-value assets

The Company applies the short-term lease recognition exemption to its short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

2.13 Foreign currencies transactions and translation

The Company's financial statements are presented in Indian Rupee, which is also the Company's functional currency.

In preparing the financial statements, transactions in the currencies other than the Company's functional currency are recorded at the rates of exchange prevailing on the date of transaction. At the end of each reporting period, monetary items denominated in the foreign currencies are re-translated at the rates prevailing at the end of the reporting period. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing on the date when the fair value was determined. Non-monetary items are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences arising on the retranslation or settlement of other monetary items are included in the statement of profit and loss for the period.

2.14 Cash and Cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value. For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

2.15 Employee benefits

Defined benefit plans

Gratuity liability is a defined benefit obligation and is provided for on the basis of an actuarial valuation on Projected Unit Credit Method made at the end of the financial year. Actuarial gains and losses for both defined benefit plans are recognized in full in the period in which they occur in the statement of OCI.

Re-measurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the standalone balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Re-measurements are not reclassified to profit or loss in subsequent periods.

"Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. Past service costs are recognised in profit or loss on the earlier of:

- The date of the plan amendment or curtailment, and
- The date that the Company recognises related restructuring costs

Termination benefits

The Company recognizes termination benefit as a liability and an expense when the Company has a present obligation as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. If the termination benefits fall due more than 12 months after the balance sheet date, they are measured at present value of future cash flows using the discount rate determined by reference to market yields at the balance sheet date on government bonds.

Compensated Absences

The Company treats accumulated leave expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes. Such long-term compensated advances are provided for based on the actuarial valuation using the projected unit credit method at the year-end. Remeasurement gains/losses on defined benefit plans are immediately taken to the Statement of Profit & Loss and are not deferred.

2.16 Provisions and Contingencies

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain.

The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

A provision for onerous contracts is recognised when the expected benefits to be derived by the Company from a contract are lower than the unavoidable cost of meeting its obligations under the contract. The provision is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Before a provision is established, the Company recognises any impairment loss on the assets associated with that contract.

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the standalone financial statements.

Provisions and contingent liability are reviewed at each balance sheet.

2.17 Borrowing costs

Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds including interest expense calculated using the effective interest method, finance charges in respect of assets acquired on finance lease. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset until such time as the assets are substantially ready for the intended use or sale. All other borrowing costs are expensed in the year in which they occur.

2.18 Related party transactions

The transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the period-end are unsecured and settlement occurs in cash or credit as per the terms of the arrangement. Impairment assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

2.19 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets

Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Subsequent measurement of financial assets: All recognised financial assets are subsequently measured in their entirety at either amortized cost or fair value, depending on the classification financial assets.

Following are the categories of financial instrument:

- a) Financial assets at amortized cost.
- b) Financial assets at fair value through other comprehensive income (FVTOCI)
- c) Financial assets at fair value through profit or loss (FVTPL)

a) Financial assets at amortized cost

Financial assets are subsequently measured at amortized cost using the effective interest rate method if these financial assets are held within a business whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

b) Financial assets at fair value through other comprehensive income (FVTOCI) "

Debt financial assets measured at FVOCI:

Debt instruments are subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Equity Instruments designated at FVOCI:

On initial recognition, the Company makes an irrevocable election on an instrument-by-instrument basis to present the subsequent changes in fair value in other comprehensive income pertaining to investments in equity instruments, other than equity investment which are held for trading. Subsequently, they are measured at fair value with gains and losses arising from changes in fair value recognised in other comprehensive income and accumulated in the 'Reserve for equity instruments through other comprehensive income'. The cumulative gain or loss is not reclassified to profit or loss on disposal of the investments.

c) Financial assets at fair value through profit or loss (FVTPL)

Investments in equity instruments are classified as at FVTPL, unless the Company irrevocably elects on initial recognition to present subsequent changes in fair value in other comprehensive income for investments in equity instruments which are not held for trading. Other financial assets such as unquoted Mutual funds are measured at fair value through profit or loss unless it is measured at amortized cost or at fair value through other comprehensive income on initial recognition.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognized (i.e., removed from the Company's balance sheet) when:

- a) the rights to receive cash flows from the asset have expired, or
- b) the Company has transferred its rights to receive cash flows from the asset, and
 - i) the Company has transferred substantially all the risks and rewards of the asset, or
 - ii) the Company has neither transferred nor retained substantially all the risks and rewards of the asset but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognize the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained. Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

Impairment of financial assets

In accordance with Ind AS 109, the Company applies expected credit loss ('ECL') model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

- a) Financial assets that are debt instruments, and are measured at amortized cost e.g., loans, deposits, trade receivables and bank balance.
- b) Financial assets that are debt instruments and are measured at FVTOCI.
- c) Financial guarantee contracts which are not measured as at FVTPL.

"The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables. The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition."

"For recognition of impairment loss on other financial assets and risk exposure, the Company determines whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date. "

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR. When estimating the cash flows, an entity is required to consider:

- i) All contractual terms of the financial instrument (including prepayment, extension, call and similar options) over the expected life of the financial instrument. However, in rare cases when the expected life of the financial instrument cannot be estimated reliably, then the entity is required to use the remaining contractual term of the financial instrument.
- ii) Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in the Statement of Profit and Loss. This amount is reflected under the head 'other expenses' in the Statement of Profit and Loss. In the balance sheet, ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the Company does not reduce impairment allowance from the gross carrying amount.

Offsetting:

Financial assets and financial liabilities are offset and the net amount is reported in the standalone balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables. All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs. The Company's financial liabilities include trade and other payables, loans and borrowings.

Subsequent measurement

"The measurement of financial liabilities depends on their classification, as described below:"

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities designated upon initial recognition as at fair value through profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognized in OCI. These gains/ losses are not subsequently transferred to P&L. However, the Company may transfer the cumulative gain or loss within equity. All other changes in the fair value of such liability are recognised in the statement of profit or loss. The Company has not designated any financial liability as at fair value through profit and loss.

Gains or losses on liabilities held for trading are recognised in the profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognized in OCI. These gains/ loss are not subsequently transferred to P&L. However, the Group may transfer the cumulative gain or loss within equity. All other changes in the fair value of such liability are recognised in the statement of profit or loss.

Loans and borrowings

"This is the category most relevant to the Company. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognized as well as through the EIR amortization process. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the statement of profit and loss.

This category generally applies to borrowings."

De-recognition

"A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit and loss.

"Financial guarantee contracts issued by the Company are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognised less cumulative amortization.

Reclassification of financial assets

The Company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The Company's senior management determines change in the business model as a result of external or internal changes which are significant to the Company's operations. Such changes are evident to external parties. A change in the business model occurs when the Company either begins or ceases to perform an activity that is significant to its operations. If the Company reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Company does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

For Gorantla & Co.,
Chartered Accountants
Firm's Registration No. 016943S

For and on behalf of the Board of Directors of
LN Industries India Limited

Sri Ranga Gorantla
Partner
Membership No: 222450
UDIN: 23222450BGWMYV6829

Ashok Kumar Buddharaju
Chairman and Managing Director
DIN: 03389822

Anitha Alokam
Director
DIN: 07309591

Place: Hyderabad
Date: 30/05/2023

A. Prabhakara Rao
Chief Financial Officer

P.V. Nagarjuna
Company Secretary
ACS: 64793

LN INDUSTRIES INDIA LIMITED

Standalone Balance Sheet as at March 31, 2023

(All amounts in Indian Thousands)

	Notes	As at 31-03-2023	As at 31-03-2022
Assets			
Non-current assets			
Property, plant and equipment	3	39,756.46	-
Capital work in progress			
Goodwill	4	2,69,900.47	-
Other Intangible assets	4	78,373.99	-
Financial assets			
Investment	5	20,050.53	-
Other non-current assets	10	31,844.04	-
		4,39,925.49	-
Current assets			
Inventories	6	1,38,258.91	-
Financial assets			
Investments	5		
Trade receivables	7	4,60,497.67	-
Cash and cash equivalents	8	1,588.48	52.30
Bank balances other than cash and cash equivalent	8	14,195.21	5,742.99
Other financial assets	9	7,111.58	3,626.56
Other current assets	10	38,150.94	-
		6,59,802.79	9,421.84
Total assets		10,99,728.28	9,421.85
Equity and liabilities			
Equity			
Equity share capital	11	5,59,419.48	10,16,859.00
Other equity	12	2,61,364.47	(13,35,904.07)
Total equity		8,20,783.95	(3,19,045.07)
Liabilities			
Non-current liabilities			
Financial liabilities			
Borrowings	13	56,037.59	2,78,085.19
Deferred tax liabilities (net)	14	6,674.57	-
Other non-current liabilities			
		62,712.16	2,78,085.19
Current liabilities			
Financial liabilities			
Borrowings	13	1,12,623.73	-
Trade payables	15		
i) total outstanding dues of micro enterprises and small enterprises		-	-
ii) total outstanding dues of creditors other than micro enterprises and small enterprises		85,296.77	45,782.81
Other current liabilities	16	7,621.21	4,598.92
Provisions	17	10,690.46	-
		2,16,232.17	50,381.72
Total liabilities		2,78,944.33	3,28,466.91
Total equity and liabilities		10,99,728.28	9,421.84

The accompanying notes are an integral part of the standalone financial statements
In terms of our report attached

For Gorantla & Co.
Chartered Accountants
ICAI Firm registration number: 016943S

For and on behalf of the Board of Directors of
LN INDUSTRIES INDIA LIMITED
CIN: L18100TG1993PLC015268

Sri Ranga Gorantla
Designated Partner
Membership No.:222450
UDIN: 23222450BGWMYV6829

Ashok Kumar Buddharaju
Chairman & Managing Director
DIN: 03389822

Anitha Alokam
Director
DIN: 07309591

Place: Hyderabad
Date: 30/05/2023

A. Prabhakara Rao
Chief Financial Officer

P.V. Nagarjuna
Company Secretary
M. No.:64793

LN INDUSTRIES INDIA LIMITED**Statement of Standalone Profit and Loss for the year ended March 31, 2023**

(All amounts in Indian Thousands, except share data and where otherwise stated)

	Notes	31-Mar-23	31-Mar-22
Income			
Revenue from operations	18	6,88,356.52	-
Other income	19	516.95	-
Total Income		6,88,873.47	-
Expenses			
Direct Expenses	20	5,48,039.02	-
Changes in inventories of Stock-in-trade	21	(1,324.39)	-
Employee benefits expense	22	69,921.48	-
Finance costs	23	18,342.43	-
Depreciation and amortisation expense	24	12,980.54	-
Other expenses	25	10,917.05	100.00
Total expenses		6,58,876.14	100.00
Profit before exceptional items and tax		29,997.33	(100.00)
Exceptional items		-	-
Profit before tax		29,997.33	(100.00)
Tax expenses			
Current tax		5,007.15	-
Deferred tax charge/ (credit)		1,319.39	-
MAT (Credit)		(5,007.15)	-
Income tax expense		1,319.39	-
Profit for the year		28,677.94	(100.00)
Other comprehensive income			
Other comprehensive income not to be reclassified to profit or loss in subsequent periods:			
Re-measurement gains/ (losses) on defined benefit plan		-	-
Income tax effect		-	-
Other comprehensive income for the year, net of tax		-	-
Total comprehensive income for the year		28,677.94	(100.00)
Earnings per equity share (in INR) [nominal value of INR 10 per shar (Previous year - INR 10			
Basic		0.51	-
Diluted		0.61	-

The accompanying notes are an integral part of the standalone financial statements

In terms of our report attached

For Gorantla & Co.

Chartered Accountants

ICAI Firm registration number: 016943S

For and on behalf of the Board of Directors of

LN INDUSTRIES INDIA LIMITED

CIN: L18100TG1993PLC015268

Sri Ranga Gorantla

Designated Partner

Membership No.:222450

UDIN: 23222450BGWMYV6829

Ashok Kumar Buddharaju

Chairman & Managing Director

DIN: 03389822

Anitha Alokam

Director

DIN: 07309591

Place: Hyderabad

Date: 30/05/2023

A. Prabhakara Rao

Chief Financial Officer

P.V. Nagarjuna

Company Secretary

M. No.:64793

LN INDUSTRIES INDIA LIMITED**Statement of Standalone Cash Flows for the year ended March 31, 2023**

(All amounts in Indian Thousands)

	31-Mar-23	31-Mar-22
Operating activities		
Profit / (Loss) before tax	29,997.33	(100.00)
<i>Adjustments to reconcile loss before tax to net cash flows:</i>		
Depreciation on property, plant and equipment & investment property	12,980.54	-
Net foreign exchange differences	-	-
Finance income	(516.95)	-
Finance cost	18,342.43	-
Balance written off	-	-
<i>Working capital adjustments:</i>		
(Increase)/ decrease in trade receivables	(4,60,497.67)	-
(Increase)/ decrease in inventories	(1,38,258.91)	-
(Increase)/ decrease in financial assets	(41,635.96)	-
(Increase)/ decrease in other assets	-	-
Merger impact	5,355.18	-
Increase/ (decrease) in trade payables	39,513.96	-
Increase/ (decrease) in provisions	3,022.29	-
Increase/ (decrease) in other liabilities	10,690.46	100.00
	(5,21,007.30)	-
Income tax paid (net of refund)	-	-
Net cash flows from / (used in) operating activities (A)	(5,21,007.30)	-
Investing activities		
Purchase of property, plant and equipment	(42,547.14)	-
Purchase of intangible assets	-	-
Bank Balance other than cash and cash equivalent	-	-
Investment made in subsidiary and others	(20,050.53)	-
Interest received	516.95	-
Net cash flows from / (used in) investing activities (B)	(62,080.73)	-
Financing activities		
Proceeds from borrowings, net	1,12,623.73	-
Repayment of unsecured loans	(2,22,047.60)	-
Non current assets	(31,844.04)	-
Issue of share capital	(4,86,935.60)	-
Interest paid (gross)	(18,342.43)	-
Profit from Transferor company (Opening Balance - Merger Impact)	76,334.61	-
Goodwill	(2,69,900.47)	-
Securities Premium	(9,03,672.00)	-
General Reserve	(1,500.00)	-
CIRP Adjustment	24,26,924.07	-
Net cash flows from / (used in) financing activities (C)	6,81,640.27	-
Net increase/ (decrease) in cash and cash equivalents	98,552.25	-
Cash and cash equivalents at the beginning of the year (refer note 10)	5,795.30	5,795.30
Cash and cash equivalents at the end of the period (refer note 10)	1,04,347.55	5,795.30

The accompanying notes are an integral part of the standalone financial statements

In terms of our report attached

For Gorantla & Co.

Chartered Accountants

ICAI Firm registration number: 016943S

Sri Ranga Gorantla

Designated Partner

Membership No.:222450

UDIN: 23222450BGWYV6829

Place: Hyderabad

Date: 30/05/2023

For and on behalf of the Board of Directors of

LN INDUSTRIES INDIA LIMITED

CIN: L18100TG1993PLC015268

Ashok Kumar Buddharaju

Chairman & Managing Director

DIN: 03389822

A. Prabhakara Rao

Chief Financial Officer

Anitha Alokam

Director

DIN: 07309591

P.V. Nagarjuna

Company Secretary

M. No.:64793

LN INDUSTRIES INDIA LIMITED

Notes to the Standalone financial statements for the year ended March 31, 2023

(All amounts INR in Thousands, except share data and where otherwise stated)

3 Property, plant and equipment

	Land	Computers	Electrical Installation	Furniture and fixtures	Office equipment	Vehicle	Total
Cost or valuation							
At April 1, 2021	-	15,536.30	1,718.30	2,669.41	2,067.46	17,954.58	39,946.05
Additions	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-
At March 31, 2022	-	15,536.30	1,718.30	2,669.41	2,067.46	17,954.58	39,946.05
At April 1, 2022							
At April 1, 2022	-	15,536.30	1,718.30	2,669.41	2,067.46	17,954.58	39,946.05
Additions	18,699.55	724.00	1,144.48	4,307.28	1,966.92	-	26,842.23
Disposals	-	-	-	-	-	-	-
At March 31, 2023	18,699.55	16,260.30	2,862.78	6,976.68	4,034.38	17,954.58	66,788.28
Depreciation and impairment							
At April 1, 2021	-	10,655.50	1,067.90	2,241.86	1,870.96	5,867.92	21,704.13
Depreciation charge for the year	-	814.04	130.08	42.76	39.30	1,510.83	2,537.00
Disposals	-	-	-	-	-	-	-
At March 31, 2022	-	11,469.53	1,197.98	2,284.62	1,910.26	7,378.75	24,241.14
At April 1, 2022							
At April 1, 2022	-	11,469.53	1,197.98	2,284.62	1,910.26	7,378.75	24,241.14
Depreciation charge for the year	-	703.42	233.73	252.25	279.29	1,321.98	2,790.68
Disposals	-	-	-	-	-	-	-
At March 31, 2023	-	12,172.96	1,431.71	2,536.87	2,189.55	8,700.73	27,031.81
Net Book value							
At April 1, 2021	-	4,880.81	650.41	427.55	196.49	12,086.67	18,241.92
At April 1, 2022	-	4,066.77	520.33	384.79	157.20	10,575.83	15,704.91
At March 31, 2023	18,699.55	4,087.35	1,431.07	4,439.82	1,844.83	9,253.85	39,756.46

4 Other Intangible assets

	Computer Software	Computer Software
Cost or valuation		
At April 1, 2021	-	1,01,578.11
Additions	-	1,145.16
Disposals	-	-
At March 31, 2022	-	1,02,723.27
At April 1, 2022		
At April 1, 2022	-	1,02,723.27
Additions	2,69,900.47	27,500.00
Disposals	-	-
At March 31, 2023	2,69,900.47	1,30,223.27
Amortization and impairment		
At April 1, 2021	-	29,561.48
Amortization charge for the year	-	12,097.94
Disposals	-	-
At March 31, 2022	-	41,659.42
At April 1, 2022		
At April 1, 2022	-	41,659.42
Amortization charge for the year	-	10,189.87
Disposals	-	-
At March 31, 2023	-	51,849.28
Net Book value		
At April 1, 2021	-	72,016.63
At April 1, 2022	-	61,063.85
At March 31, 2023	2,69,900.47	78,373.99

LN INDUSTRIES INDIA LIMITED
Notes to the Standalone financial statements for the year ended March 31, 2023

(All amounts INR in Thousands, except share data and where otherwise stated)

8 Cash and cash equivalents and other bank balances

	In Thousands	
	31-Mar-23	31-Mar-22
Cash and cash equivalents		
<i>Balances with banks:</i>		
- On current accounts	1,443.42	52.30
- Deposits with less than three months maturity	-	-
Cash on hand	145.05	-
Cash and cash equivalents Balances with banks:	1,588.48	52.30
Other bank balances		
- Deposits with maturity for more than 3 months but less than 12 months	14,195.21	5,742.99
	14,195.21	5,742.99

9 Other financial assets

	In Thousands			
	Current		Non-current	
	31-Mar-23	31-Mar-22	31-Mar-23	31-Mar-22
Unsecured and considered good, unless otherwise stated				
Security deposits	3,667.87	-	-	3,626.56
Interest accrued on fixed deposits	2,945.91	-	-	-
Advance to employee	497.80	-	-	-
Trade advance to related parties	-	-	-	-
Other advances	-	-	-	-
Considered Doubtful				
Other receivables	-	-	-	-
Less: Provision for Doubtful receivables	-	-	-	-
Net Other financial assets	7,111.58	-	-	3,626.56

10 Other assets

	In Thousands			
	Current		Non-current	
	31-Mar-23	31-Mar-22	31-Mar-23	31-Mar-22
Prepaid expenses	-	-	-	-
Balances with statutory/ government authorities	20,499.42	-	-	-
Advance to suppliers	17,357.79	-	-	-
Advance to related party	-	-	-	-
Other advances	293.72	-	-	-
Misc. Expenses to the extent not written off(on account of CIRP adjustment)	-	-	31,844.04	-
Total Other assets	38,150.94	-	31,844.04	-

LN INDUSTRIES INDIA LIMITED**Notes to the Standalone financial statements for the year ended March 31, 2023**

(All amounts INR in Thousands, except share data and where otherwise stated)

11 Equity share capital

	in Thousands	
	31-Mar-23	31-Mar-22
Authorised Share Capital		
17,20,00,000 (14,50,00,000) Equity Shares of INR 10 each	17,20,000.00	14,50,000.00
Issued, Subscribed and Paid-up		
5,57,41,948(10,16,85,900) Equity Shares of INR 10 each, fully paid-up	5,57,419.48	10,16,859.00
Share Application Money	2,000.00	-
Total Issued, Subscribed and Paid-up Equity Shares	5,59,419.48	10,16,859.00

Transferor company authorised capital of Rs.2,700.00 Lakhs i.e. 2,70,00,000 Equity shares of INR 10 each was included in the authorised capital in the year 2022-23 due to merger

The reconciliation of the number of shares as at March 31, 2023 is set out below:

	No. of Shares	in Thousands
Equity shares of INR 10 each issued, subscribed and fully paid		
At April 1, 2021	10,16,85,900	10,16,859.00
Add: Shares issued during the year	-	-
At March 31, 2022	10,16,85,900	10,16,859.00
Add: Shares issued during the year	5,39,80,094	5,39,800.94
Less: Extinguishment of shares during year	9,99,24,046	9,99,240.46
At March 31, 2023	5,57,41,948	5,57,419.48

Terms/ rights attached to equity shares

The Company has only one class of equity shares having par value of INR 10 per share. Each holder of equity shares is entitled to one vote per share. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend.

In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

Equity shares allotted as fully paid-up pursuant to scheme of arrangement without payment being received in cash

5,39,80,094 equity shares were issued during the financial year 2022-23 pursuant to scheme of arrangement between ACS Technologies Limited and the Company vide order passed by Honourable National Company Law Tribunal, Hyderabad Bench, Hyderabad-1 dated. March 24, 2023.

LN INDUSTRIES INDIA LIMITED
Notes to the Standalone financial statements for the year ended March 31, 2023

(All amounts INR in Thousands, except share data and where otherwise stated)

Details of shareholders holding more than 5% shares in the Company

Name of the shareholder	31-Mar-23		31-Mar-22	
	No of Shares	Holding percentage	No of Shares	Holding percentage
Equity shares of INR.10 each fully paid up				
Ashok Kumar Buddharaju	64,14,068	11.88%	-	-
Ramadevi Buddharaju	55,51,892	10.29%	-	-
Prabhakara Rao Alokam	84,72,642	15.37%	-	-
Anitha Alokam	38,50,200	7.13%	-	-
Other Public	3,14,53,146	55.33%	-	-
HN Organiser & Developers LLP	-	-	67,50,000	6.64%
Akansha media & Ent. Pvt Ltd	-	-	72,00,000	7.08%
CVK Infrastructure Pvt Ltd	-	-	95,00,000	9.34%
LN Projects Pvt Ltd	-	-	1,00,00,000	9.83%
Secunderabad Healthcare Limited	-	-	1,48,00,000	14.55%

Details of Shares held by promoters
As at March 31, 2023

Promoter Name	No. of Shares at the beginning of the year	Change during the year	No. of shares at the end of year	% age of Total Shares	% change during the year
Equity shares of INR.10 each fully paid up					
Ashok Kumar Buddharaju	64,14,068		64,14,068	11.51%	11.51%
Ramadevi Buddharaju	55,51,892		55,51,892	9.96%	9.96%
Prabhakara Rao Alokam	84,72,642		84,72,642	15.20%	15.20%
Anitha Alokam	38,50,200		38,50,200	6.91%	6.91%
Snigdha Buddharaju	26,26,884		26,26,884	4.71%	4.71%
Deepak Alokam	50,608		50,608	0.09%	0.09%
Gowtham Alokam	5,000		5,000	0.01%	0.01%
Total	-	2,69,71,294	2,69,71,294	48.39%	48.39%

As at March 31, 2022

Promoter Name	No. of Shares at the beginning of the year	Change during the year	No. of shares at the end of year	% age of Total Shares	% change during the year
Equity shares of INR.10 each fully paid up					
LN Projects Pvt Ltd	1,00,00,000		1,00,00,000	9.83%	-
M. Raghava Reddy	42,000		42,000	0.04%	-
Surender Reddy. G	13,17,096		13,17,096	1.30%	-
Garlapati Pushpa Leela	6,84,913		6,84,913	0.67%	-
Suddala Manmohan Rao	13,75,080		13,75,080	1.35%	-
Suddala Saraladevi	1,73,910		1,73,910	0.17%	-
G. Surender Reddy	210		210	0.00%	-
Total	1,35,93,209	-	1,35,93,209	13.37%	-

Note : As per records of the Company, including its register of shareholders/ members and other declaration received from shareholders regarding beneficial interest, the above shareholding represent both legal and beneficial ownership of shares.

LN INDUSTRIES INDIA LIMITED**Notes to the Standalone financial statements for the year ended March 31, 2023**

(All amounts INR in Thousands, except share data and where otherwise stated)

12 Other equity

	in Thousands	
	31-Mar-23	31-Mar-22
Capital Reserve		
Balance at the beginning of the year	-	-
Changes during the year	-	-
Closing balance	<u>-</u>	<u>-</u>
General Reserve		
Balance at the beginning of the year	1,500.00	1,500.00
Changes during the year	(1,500.00)	-
Closing balance	<u>-</u>	<u>1,500.00</u>
Equity Share Premium Account		
Balance at the beginning of the year	10,89,520.00	10,89,520.00
Changes during the year	(10,89,520.00)	-
Transferor Company Premium during the year	1,85,848.00	-
Closing balance	<u>1,85,848.00</u>	<u>10,89,520.00</u>
Net Surplus / (deficit) in the statement of profit and loss		
Balance at the beginning of the year	(24,26,924.07)	(24,26,824.07)
Changes during the year	24,26,924.07	(100.00)
Transferor Company opening balance	76,334.61	-
Profit during the year	28,677.94	-
Bonus adjustment during the year	(29,496.08)	-
<i>Other comprehensive income</i>		
Re-measurement gains/ (losses) on defined benefit plans		
Net Surplus / (deficit) in the statement of profit and loss	<u>75,516.47</u>	<u>(24,26,924.07)</u>
Total other equity	<u>2,61,364.47</u>	<u>(13,35,904.07)</u>

LN INDUSTRIES INDIA LIMITED

Statement of changes in equity for the year ended March 31, 2023

(All amounts INR in Thousands, except share data and where otherwise stated)

a. Equity share capital

(1) Current reporting period

Particulars	Balance at the beginning of the current reporting period	Changes in equity share capital during the current year	Balance at the end of the current reporting period
Number of Shares	10,16,85,900	5,39,80,094	5,57,41,948
Amount (in Rs.)	1,01,68,59,000	53,98,00,940	55,74,19,480

(2) Previous reporting period

Particulars	Balance at the beginning of the previous reporting period	Changes in equity share capital during the previous year	Balance at the end of the previous reporting period
Number of Shares	10,16,85,900	-	10,16,85,900
Amount (in Rs.)	1,01,68,59,000	-	1,01,68,59,000

b. Other equity *

For the year ended March 31, 2023

in Rs.

Particulars				Total
	General Reserve	Security Premium	Retained earnings	
As at April 1, 2022	1,500.00	10,89,520.00	(24,26,824.07)	(13,35,804.07)
Changes during the year	-	-	(100.00)	(100.00)
Transferor Company opening balance	-	-	-	-
Profit/additions during the year of Transferor Company	-	-	-	-
Bonus of the Transferor company during the year	-	-	-	-
<i>Other comprehensive income</i>				
Re-measurement gains/ (losses) on defined benefit plans	-	-	-	-
Total comprehensive income	1,500.00	10,89,520.00	(24,26,924.07)	(13,35,904.07)
As at March 31, 2023	1,500.00	10,89,520.00	(24,26,924.07)	(13,35,904.07)

LN INDUSTRIES INDIA LIMITED**Statement of changes in equity for the year ended March 31, 2023**

(All amounts INR in Thousands, except share data and where otherwise stated)

For the year ended March 31, 2022

Particulars	Attributable to equity holders of the Company			Total
	Reserves and Surplus			
	General Reserve	Security Premium	Retained earnings	
As at April 1, 2021	1,500.00	10,89,520.00	(24,26,824.07)	(13,35,804.07)
Profit / (Loss) for the year	-	-	(100.00)	(100.00)
Changes during the year	-	-	-	-
<i>Other comprehensive income</i>				
Re-measurement gains/ (losses) on defined benefit plans	-	-	-	-
Total comprehensive income	1,500.00	10,89,520.00	(24,26,924.07)	(13,35,904.07)
As at March 31, 2022	1,500.00	10,89,520.00	(24,26,924.07)	(13,35,904.07)

*Also refer note 12

The accompanying notes are an integral part of the standalone financial statements

In terms of our report attached

For Gorantla & Co.

Chartered Accountants

ICAI Firm registration number: 016943S

For and on behalf of the Board of Directors of

LN INDUSTRIES INDIA LIMITED

CIN: L18100TG1993PLC015268

Sri Ranga Gorantla

Designated Partner

Membership No.:222450

UDIN: 23222450BGWYV6829

Ashok Kumar Buddharaju

Chairman & Managing Director

DIN: 03389822

Anitha Alokam

Director

DIN: 07309591

A. Prabhakara Rao

Chief Financial Officer

P.V. Nagarjuna

Company Secretary

M. No.:64793

Place: Hyderabad

Date: 30/05/2023

LN INDUSTRIES INDIA LIMITED

Notes to the Standalone financial statements for the year ended March 31, 2023

(All amounts in Indian Thousands)

13 Borrowings

	in Thousands	
	31-Mar-23	31-Mar-22
Non-current borrowings		
Unsecured loans		
Unsecured loans from Promoters and relatives	8,746.96	83,764.00
From Corporate Bodies	18,421.49	1,94,321.19
Business Loan	22,326.39	-
	49,494.84	2,78,085.19
Secured loans		
Term Loan	2,382.65	-
Vehicle Loan	4,160.10	-
	6,542.75	-
Total of Non-current borrowings	56,037.59	2,78,085.19
Current borrowings		
Loan repayable on demand from Bank		
Working Capital from HDFC Bank Limited	98,516.36	-
Secured loans		
Current maturity of Long term loans	14,107.37	-
Unsecured loans		
Unsecured loans from Promoters and relatives	-	-
Total current borrowings	1,12,623.73	-

14 Deferred tax liabilities (net)

	in Thousands	
Particulars	31-Mar-23	31-Mar-22
<i>Deferred tax assets</i>		
Difference between carrying amounts of property, plant and equipment in On account of provision for gratuity and leave encashment		
On account of unabsorbed depreciation and carried forward losses		
Gross deferred tax assets	-	-
<i>Deferred tax liabilities</i>		
Difference between carrying amounts of property, plant and equipment in Current Year Provision	5,355.18	-
	1,319.39	-
Gross deferred tax liabilities	6,674.57	-
Net deferred tax liability	6,674.57	-
Net deferred tax liability recognised*	6,674.57	-

*Deferred tax asset is recognised to the extent of the probability of taxable profits in future periods.

LN INDUSTRIES INDIA LIMITED
Notes to the Standalone financial statements for the year ended March 31, 2023

(All amounts in Indian Thousands)

15 Trade payables

	in Thousands	
	31-Mar-23	31-Mar-22
- Total outstanding dues of micro enterprises and small enterprises	-	-
- Total outstanding dues of creditors other than micro enterprises and small enterprises	85,296.77	45,782.81
Total Trade payables	85,296.77	45,782.81

Trade Payable Aging Schedule

As at March 31, 2023						in Thousands
Particulars	Outstanding for following periods from due date of payment				Total	
	Less than 1 year	1- 2 years	2- 3 years	More than 3 years		
Total outstanding dues of micro enterprises and small enterprises	-	-	-	-	-	
Total outstanding dues of creditors other than micro enterprises and small enterprises	85,296.77	-	-	-	85,296.77	
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	
Total	85,296.77	-	-	-	85,296.77	

As at March 31, 2022						in Thousands
Particulars	Outstanding for following periods from due date of payment				Total	
	Less than 1 year	1- 2 years	2- 3 years	More than 3 years		
Total outstanding dues of micro enterprises and small enterprises	-	-	-	-	-	
Total outstanding dues of creditors other than micro enterprises and small enterprises	45,782.81	-	-	-	45,782.81	
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	
Total	45,782.81	-	-	-	45,782.81	

16 Other current liabilities

	in Thousands	
	31-Mar-23	31-Mar-22
Advance from customers		
Payable towards statutory dues		
Payable to employees	6,948.01	-
Creditors for expenses	673.20	4,598.92
Total Other current liabilities	7,621.21	4,598.92

Breakup of financial liabilities carried at amortised cost

	in Thousands	
	31-Mar-23	31-Mar-22
Borrowings	49,494.84	2,78,085.19
Other financial liabilities	-	-
Trade payables	85,296.77	45,782.81
Total financial liabilities carried at amortised cost	1,34,791.61	3,23,868.00

17 Provisions

	in Thousands			
	Short term		Long term	
	31-Mar-23	31-Mar-22	31-Mar-23	31-Mar-22
Provision for employee benefits				
Provision for gratuity	2,182.71	-	-	-
Provision for Income Tax	5,007.15	-	-	-
Provision for expenses	3,500.60	-	-	-
Total Provisions	10,690.46	-	-	-

LN INDUSTRIES INDIA LIMITED**Notes to the Standalone financial statements for the year ended March 31, 2023**

(All amounts in Indian rupees, except share data and where otherwise stated)

18 Revenue from operations

Particulars	in Thousands	
	31-Mar-23	31-Mar-22
Revenue from Sale of Goods and Services	5,57,706.03	-
Revenue from Export Services	1,30,650.50	-
	6,88,356.52	-

18.1 Disaggregated revenue information

Set out below is the disaggregation of the Company's revenue (other than rental income) from contracts with customers by timing of transfer of goods or services.

Timing of transfer of goods or services

Particulars	in Thousands	
	31-Mar-23	31-Mar-22
Revenue from goods or services transferred to customers at a point in time	6,88,356.52	-
Revenue from goods or services transferred over time	-	-
	6,88,356.52	-

19 Other income

Particulars	in Thousands	
	31-Mar-23	31-Mar-22
Interest on fixed deposits	516.95	-
	516.95	-

20 Direct Expenses

Particulars	in Thousands	
	31-Mar-23	31-Mar-22
Purchases and direct	4,84,015.77	-
Servicing & Repairs	49,083.77	-
Consultancy Charges	13,506.98	-
Discount Paid	1,432.50	-
	5,48,039.02	-

21 Changes in inventories of Stock-in-trade

Particulars	in Thousands	
	31-Mar-23	31-Mar-22
Opening stock		
-Stock	14,762.13	-
-Work in Progress	1,22,172.40	-
	1,36,934.53	-
Closing stock		
-Stock	16,308.27	-
-Work in Progress	1,21,950.64	-
	1,38,258.91	-
	(1,324.39)	-

LN INDUSTRIES INDIA LIMITED**Notes to the Standalone financial statements for the year ended March 31, 2023**

(All amounts in Indian rupees, except share data and where otherwise stated)

22 Employee benefits expense

Particulars	in Thousands	
	31-Mar-23	31-Mar-22
Salaries, wages and bonus*	59,090.93	-
Contribution to provident and other funds	3,891.36	-
Gratuity expense	2,182.71	-
Staff welfare expenses	446.26	-
Employee Compensation Expenses	4,310.22	-
	69,921.48	-

*includes Directors remuneration of INR 59.52 Lakhs (P.Y INR 0.00 Lakhs)

23 Finance costs

Particulars	in Thousands	
	31-Mar-23	31-Mar-22
Interest on borrowing	17,376.71	-
Other finance charges	965.72	-
	18,342.43	-

24 Depreciation and amortisation expense

Particulars	in Thousands	
	31-Mar-23	31-Mar-22
Depreciation on property, plant and equipment	2,790.68	-
Amortisation of intangible assets	10,189.87	-
	12,980.54	-

25 Other expenses

Particulars	in Thousands	
	31-Mar-23	31-Mar-22
Electricity charges	547.47	-
Rent	1,906.09	-
Directors sitting fees	60.00	-
Repairs and maintenance	1,048.51	-
Rates and taxes	1,637.96	-
Travelling and conveyance expenses	2,625.85	-
Communication expenses	651.52	-
Payment to auditor*	400.00	100.00
Depository and Exchange expenses	76.87	-
Business Promotion	594.87	-
Insurance	516.25	-
Printing and Stationery	531.35	-
Miscellaneous expenses	320.31	-
	10,917.05	100.00

*** Payment to auditor**

	in Thousands	
	31-Mar-23	31-Mar-22
As auditor:		
Audit fee [including for Limited review]	300.00	100.00
Tax audit fee	100.00	-
In other capacity:		
Other services	-	-
	400.00	100.00

LN INDUSTRIES INDIA LIMITED

CIN: L18100TG1993PLC015268

Notes to standalone financial statements for the year ended 31st March 2023

(All amounts INR in Thousands, except share data and where otherwise stated)

No 26 : Segment Information

The Company is primarily engaged in IT / ITES related services and hence disclosing information as per requirements of Ind AS 108 "Operating Segments" is not applicable.

No 27 : Contingent liability and capital commitments**(a) Contingent liability :**

Particulars	Nature of dues	(In ₹ thousands)	Remarks
Bank Guarantee outstanding as on the balance sheet date	Performance Bank Guarantees	16,371.00	Issued to various customers against orders received

(b) Capital Comotments :

There were no capital commitments during the year

No 28 : Earnings and expenditure in foreign currency (on accrual basis)**Earnings in foreign currency**

Particulars	As at at 31 March 2023	As at at 31 March 2022
Sales	1,30,650.50	-

Expenditure in foreign currency

Particulars	As at at 31 March 2023	As at at 31 March 2022
NIL		

No 29 : Tax Expense

Deferred tax is provided on timing differences at the balance sheet date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

No : 30 Leases

The company has operating lease for office premise, which is renewable on periodical basis and cancelable at its option. Lease expenses on such operating lease recognised in the Profit and Loss account on a straight line basis over the lease term.

No : 31 Provision for Gratuity

(In ₹ thousands)

Particulars	Gratuity	
	As at at 31 March 2023	As at at 31 March 2022
Change in benefit obligations	-	-
PV Obligation as at the start	-	-
Acquisition adjustment	-	-
Interest Cost	-	-
Past-service cost *	4,577.82	-
Current Service cost	1,038.24	-
Curtailement Cost/ (Credit)	-	-
Settlement Cost/(Credit)	-	-
Benefits paid/ due to be paid	-	-
Actuarial(gain)/loss on oblig	-	-
PV Obligation as at the end	5,616.08	-

* 25% of the Past Service Cost has been charged to the Profit & Loss Account in the Financial year 2022-23. Balance of 75% will be charged to Profit & Loss Account in the coming three financial years equally.

Employees are entitled to a benefit equivalent to fifteen days' last drawn salary for each completed year of service in line with the Payment of Gratuity Act, 1972 subject to a maximum of INR 20 Lakhs. The same is payable at the time of separation from the Company or retirement, whichever is earlier. The benefits vest after five years of continuous service. The Company has created the liability as on March 31, 2023 as per the Actuarial Valuation.

No 32 : Auditors Remuneration

(In ₹ thousands)

Particulars	As at at 31 March 2023	As at at 31 March 2022
Statutory audit fees	400.00	100.00
Other services	-	-
Out of pocket expenses	-	-
Total	400.00	100.00

No 33 Amounts payable to Micro, Small and Medium enterprises

Disclosure under Section 22 of the Micro, Small and Medium enterprises Development Act, 2006 (MSMED)

Based on the information available with the Company, no creditors have been identified as "supplier" within the meaning of "Micro, Small and Medium Enterprises Development (MSMED) Act, 2006".

No 34 : Related Party Disclosures

i) Subsidiary	: IOTIQ Innovations Private Limited
ii) Entities in which directors are interested	1 Varsun Etechnologies Private Limited 2. Albesun India Private Limited 3. Bluenine Infra Technologies Private Limited
iii) Key Managerial Personnel	1. Mr. Ashok Kumar Buddharaju, Chairman and Managing Director 2. Mrs. Rama Buddharaju, Whole Time Director 3. Mrs. Anitha Alokam, Whole Time Director 4. Mr. A. Prabhakara Rao, Chief Financial Officer 5. Mr. P.V. Nagarjuna, Company Secretary
iv) Persons having Substantial Interest in Voting Power	1. Ashok Kumar Buddharaju 2. Mrs. Rama Buddharaju 3. Mrs. Anitha Alokam 4. Mr. Prabhakara Rao. A

B. Non Executive Directors and Independent Directors on the Board of the Company

Name of the personnel	Relationship
NIL	NA

C. Details of transactions with Related Parties*(In ₹ thousands)*

Name of the Related party	Nature of the Transactions	2022-23		2021-22		
		Balance outstanding as on 31 March 2023		Balance outstanding as on 31 March 2022		
IOTIQ Innovations Private Limited	Opening Balance	9,848.85		-		
	Unsecured loan received	8,659.92		-		
	Unsecured loan returned	-3,651.45		-		
	Interest charged	-		-		
	Other charges	-		-		
	Closing Balances		14,857.33		-	
	Investment in Equity	51.00	51.00		-	
Client Transactions						
Bluenine Infra Technologies Pvt Ltd	Opening Balance	6,493.19		-		
	Purchases	-4,90,291.75		-		
	Sales	-		-		
	Payment/Receipt/Set off	4,57,873.23		-		
	Closing Balance (Credit)	-	-25,925.33		-	
	Ashok Kumar Buddharaju	Managerial Remuneration	2,400.00			
	Rama Buddharaju	Managerial Remuneration	2,402.40			
Anitha Alokam	Managerial Remuneration	1,150.00				
Prabhakara Rao. A	Salary	2,277.40				
P.V. Nagarjuna	Salary	604.19				

No 35 Investor Education Protection Fund

There are no outstanding dues to Investor Education Protection Fund as on 31 March 2023.

No 36 Prior year comparatives

ACS Technologies Limited has been merged with the company effective from the financial year 2022-23, hence current year figures includes the ACS figures also. Previous year figures represent the only this company amounts and not included ACS figures.

Previous year figures have been regrouped / reclassified wherever necessary to confirm to the current year classification.

As per our report attached

For Gorantla & Co.

Chartered Accountants

ICAI Firm registration number: 016943S

For and on behalf of the Board of Directors of

LN Industries India Limited**Sri Ranga Gorantla**

Designated Partner

Membership No.:222450

UDIN: 23222450BGWYV6829

Ashok Kumar Buddharaju

Chairman & Managing Director

DIN: 03389822

Anitha Alokam

Director

DIN: 07309591

Place: Hyderabad

Date: 30/05/2023

A. Prabhakara Rao

Chief Financial Officer

P.V. Nagarjuna

Company Secretary

M. No.:64793

LN INDUSTRIES INDIA LIMITED

CIN: L18100TG1993PLC015268

Notes to standalone financial statements for the year ended 31st March 2023

(All amounts INR in Thousands, except share data and where otherwise stated)

No 37 Fair value measurements

The carrying value of financial instruments by categories is as follows:

(In ₹ thousands)

Particulars	31-Mar-23			31-Mar-22		
	At Cost	Fair value through profit or loss	At Amortised Cost	At Cost	Fair value through profit or loss	At Amortised Cost
Financial assets						
Trade receivables	-	-	4,60,497.67	-	-	-
Cash and cash equivalents	-	-	1,588.48	-	-	52.30
Bank balance other than cash and cash equivalents	-	-	14,195.21	-	-	5,742.99
Other financial assets	-	-	7,111.58	-	-	3,626.56
Inventories	-	-	1,38,258.91	-	-	-
Total	-	-	6,21,651.85	-	-	9,421.85
Financial liabilities						
Borrowings	-	-	1,12,623.73	-	-	-
Trade payables	-	-	85,296.77	-	-	45,782.81
Other financial liabilities	-	-	7,621.21	-	-	4,598.92
Total	-	-	2,05,541.71	-	-	50,381.73

Fair value hierarchy

The following table provides the fair value measurement hierarchy of the Company's assets and liabilities

(In ₹ thousands)

Particulars	31-Mar-23				31-Mar-22			
	Carrying amount	Fair value through profit or loss	At Amortised Cost	At Cost	Carrying amount	Fair value through profit or loss	At Amortised Cost	At Cost
Financial assets								
Measured at cost/ amortised cost/fair value through profit and loss								
Trade receivables	4,60,497.67	-	-	-	-	-	-	-
Cash and cash equivalents	1,588.48	-	-	-	52.30	-	-	-
Bank balance other than cash and cash equivalents	14,195.214	-	-	-	5,742.99	-	-	-
Other financial assets	7,111.58	-	-	-	3,626.56	-	-	-
Inventories	1,38,258.91	-	-	-	-	-	-	-
Total	6,21,651.85	-	-	-	9,421.85	-	-	-
Assets for which fair value are disclosed								
Measured at amortised cost								
Borrowings	1,12,623.73	-	-	-	-	-	-	-
Trade payables	85,296.77	-	-	-	45,782.81	-	-	-
Other financial liabilities	7,621.21	-	-	-	4,598.92	-	-	-
	2,05,541.71	-	-	-	50,381.73	-	-	-

Notes:

Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.

Level 2 inputs are inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3 inputs are unobservable inputs for the asset or liability.

There have been no transfers between the levels during the period.

Financial instruments carried at amortised cost such as trade receivables, other financial assets, borrowings, trade payables and other financial liabilities are considered to be same as their fair values, due to short term nature.

For financial assets & liabilities that are measured at fair value, the carrying amounts are equal to the fair values.

No 38. Financial risk management objectives and policies

The Company's principal financial liabilities comprise borrowings, trade and other payables. The main purpose of these financial liabilities is to finance and support Company's operations. The Company's principal financial assets include trade and other receivables and cash and cash equivalents and other bank balances that derive directly from its operations.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks. The Company's senior management advises on financial risks and the appropriate financial risk governance framework for the Company. The Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below.

A. Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises two types of risk: interest rate risk and other price risk, such as equity price risk and commodity risk. Financial instruments affected by market risk include loans, borrowings and security deposits.

The Company is not exposed to significant interest rate risk as at the respective reporting dates.

The Company's equity investments are mainly strategic in nature and are generally held on a long term basis. Further, the investments are not exposed to significant price risk.

B. Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its investing activities (short term bank deposits). The Company only deals with parties which has good credit rating / worthiness given by external rating agencies or based on companies internal assessment.

Financial instruments that are subject to concentrations of credit risk principally consist of trade receivables, investments, cash and cash equivalents, bank deposits and other financial assets. None of the financial instruments of the Company result in material concentration of credit risk.

Exposure to credit risk

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk was INR 4,96,331.89 Thousands (March 31, 2022- INR 5,795.30 Thousand) being the total of the carrying amount of Cash and cash equivalents, bank deposits, trade receivables, investments and other financial assets.

Trade receivables

IND AS requires expected credit losses to be measured through a loss allowance. The Company assesses at each date of statements of financial position whether a financial asset or a group of financial assets is impaired. The Company recognises lifetime expected losses for all contract assets and / or all trade receivables that do not constitute a financing transaction. For all other financial assets, expected credit losses are measured at an amount equal to the 12 month expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition.

The Company has used a practical expedient by computing the expected credit loss allowance for trade receivables based on ageing which are receivables for more than six months.

C. Liquidity risk

Liquidity risk refers to the risk that the Company can not meet its financial obligation. The objective of liquidity risk management is to maintain sufficient liquidity and ensured that funds are available for use as per requirements. The Company manages liquidity risk by maintaining adequate reserves, banking facilities and reserves borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

No 39. Capital management

For the purpose of the Company's capital management, capital includes issued equity capital, share premium and all other equity reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to maximise the shareholder value.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Company includes within net debt, interest bearing loans & borrowings, less cash and cash equivalents.

Gearing ratio

The gearing ratio at the end of the reporting period was as follows:

	<i>(In ₹ thousands)</i>	
	31-Mar-23	31-Mar-22
Borrowings	62,712.16	2,78,085.19
Less: Cash and cash equivalents	15,783.69	5,795.30
Net debt	46,928.47	2,72,289.89
Equity share capital	5,59,419.48	10,16,859.00
Other equity	2,61,364.47	-13,35,904.07
Total capital	8,20,783.95	-3,19,045.07
Capital and net debt	8,67,712.42	-46,755.17
Gearing ratio	5.41%	-582.37%

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current year.

No changes were made in the objectives, policies or processes for managing capital during the years ended March 31, 2023 except as per Hon'ble NCLT Order.

No 40 Standards issued but not effective

There were no standards issued but not effective at the time of issuance of the Company's financial statements, hence the disclosure is not applicable.

No 41 Significant event after the reporting period

There were no significant adjusting event that accrued subsequent to the reporting period which may require an adjustment to the balance sheet.

No 42 Corporate social responsibility (CSR)

As per Section 135 of the Companies Act, 2013, a company does not meeting the applicability threshold, and hence no need to spend on corporate social responsibility (CSR) activities.

No 43. Code of Social Security

The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post-employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified and the final rules/interpretation have not yet been issued. The Company will assess the impact of the Code when it comes into effect and will record any related impact in the period the Code becomes effective.

No 44 Other Statutory Information

1. The Company does not have any Benami property, where any proceeding has been initiated or pending against the company for holding any Benami property under Benami Transactions (Prohibition) Act, 1988 (45 of 1988).
2. The Company does not have any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.
3. The Company does not have any charges or satisfaction yet to be registered with ROC beyond the statutory period.
4. The Company does not have any transactions with Crypto Currency or Virtual Currency where the Company has traded or invested in Crypto Currency or Virtual Currency during the year.
5. The Company has not advanced or loaned or invested funds to any other persons or entities, including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
 - (a) Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
 - (b) Provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
6. The Company has not received any fund from any persons or entities, including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
 - (a) Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
 - (b) Provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
7. The Company does not have any transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income-tax Act, 1961.

LN INDUSTRIES INDIA LIMITED

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Notes to standalone financial statements for the year ended 31st March 2023

(All amounts INR in Thousands, except share data and where otherwise stated)

No 45 Earnings Per Share (Basic and Diluted)

Basic EPS amounts are calculated by dividing the profit for the year attributable to equity holders by the weighted average number of Equity shares outstanding during the year.

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders (after adjusting for interest on the convertible debentures) by the weighted average number of Equity shares outstanding during the year plus the weighted average number of Equity shares that would be issued on conversion of all the dilutive potential Equity shares into Equity Shares.

The following table reflects the income and share data used in the basic and diluted EPS computations: (In ₹ thousands)

Particulars	As at 31 March 2023	As at 31 March 2022
Basic Earning per Share		
Profit / Loss after tax	28,677.94	-100.00
Profit/Loss after tax (excluding extraordinary items)	28,677.94	-100.00
Number Equity Shares at the end of Financial year	5,57,41,948	10,16,85,900
Nominal value of Equity share	10.00	10.00
Earnings per share	0.514	-0.000
Earnings per share (excluding extraordinary items)	0.514	-0.000
Diluted Earning per Share		
Profit / Loss after tax	28,677.94	-100.00
Profit/Loss after tax (excluding extraordinary items)	28,677.94	-100.00
Weighted average number of Equity shares outstanding during the year - N	4,68,21,645	10,16,85,900
Nominal value of Equity share	10.00	10.00
Earnings per share	0.612	-0.000
Earnings per share (excluding extraordinary items)	0.612	-0.000

No 46 Ratio Analysis

Particulars	Unit of Measuremen t	2022-23	2021-22	Variation in %
Current Ratio	In multiple	3.05	0.19	1,531.66
Debt-Equity Ratio	In multiple	0.08	-0.87	(108.77)
Debt Service Coverage Ratio	In multiple	-	-	-
Return on Equity Ratio	In %	15.49	0.03	49,330.42
Inventory Turnover Ratio	In Days	-	-	-
Trade receivables Turnover Ratio	In Days	122	-	-
Trade payables Turnover Ratio	In Days	35	-	-
Net Working Capital Turnover Ratio	In %	87.27	-	-
Net Profit Ratio	In %	5.64	-	-
Return on Capital Employed	In %	13.58	0.49	2,681.27
Return on Investment (Assets)	In %	7.01	-1.06	-760.34

Reasons for variance

ACS Technologies Limited has been merged with the company effective from financial year 2022-23, hence ACS figures were included in the financial statements of 2022-23. Whereas previous year figures were contains only LN Industries India Limited, hence there was significant variation in the ratios

Formula for computation of ratios are as follows:

Ratio	Numerator	Denominator
Current Ratio	Current Assets	Current Liabilities
Debt-Equity Ratio	Total Debt	Shareholder's Equity
Debt Service Coverage Ratio	Earnings for debt service = Net profit after taxes + Non-cash operating expenses	Debt service = Interest & Lease Payments + Principal Repayments
Return on Equity Ratio	Net Profits after taxes – Preference Dividend	Average Shareholder's Equity
Inventory Turnover Ratio	Cost of goods sold	Average Inventory
Trade receivables Turnover Ratio	Net credit sales = Gross credit sales - sales	Average Trade Receivable
Trade payables Turnover Ratio	Net credit purchases = Gross credit purchases - purchase return	Average Trade Payables
Net Working Capital Turnover Ratio	Net sales = Total sales - sales return	Working capital = Current assets – Current
Net Profit Ratio	Net Profit	Net sales = Total sales - sales return
Return on Capital Employed	Earnings before interest and taxes	Capital Employed = Tangible Net Worth + Total Debt + Deferred Tax Liability

Return on Investment (Assets)	Interest (Finance Income)	Investment
No 47 Prior year comparatives The figures of the previous year have been regrouped/reclassified, where necessary, to conform with the current year's classification.		
No 48 Approval of Financial Statements The financial statements were approved for issue by the Board of Directors on May 30, 2023.		
As per our report attached		
For Gorantla & Co. Chartered Accountants ICAI Firm registration number: 016943S		
For and on behalf of the Board of Directors of LN Industries India Limited		
Sri Ranga Gorantla Designated Partner Membership No.:222450 UDIN: 23222450BGWMYV6829	Ashok Kumar Buddharaju Chairman & Managing Director DIN: 03389822	Anitha Alokam Director DIN: 07309591
Place: Hyderabad Date: 30/05/2023	A. Prabhakara Rao Chief Financial Officer	P.V. Nagarjuna Company Secretary M. No.:64793

**CONSOLIDATED FINANCIAL
STATEMENTS & NOTES**

INDEPENDENT AUDITOR'S REPORT

To
The Members of
LN Industries India Limited

Report on the audit of Consolidated financial statements

Opinion

We have audited the accompanying consolidated financial statements of **LN Industries India Limited** ("the Parent") and its subsidiary (the Parent and its subsidiary together referred to as the "Group") which comprise the Consolidated Balance Sheet as at March 31, 2023 and the Consolidated Statement of Profit and Loss (including other comprehensive income), the Consolidated Cash Flow Statement and the Consolidated Statement of Changes in Equity for the year then ended, and notes to consolidated financial statement including a summary of significant accounting policies and other explanatory information (hereinafter referred to as the "consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Consolidated statements give the information required by the Companies Act, 2013, as amended (the "Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended ("Ind AS") and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2023, and their consolidated profit, their consolidated total comprehensive income, their consolidated changes in equity and their consolidated cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing ("SA" s) specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics.

We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

EMPHASIS OF MATTER

We draw your attention to Note 2.6 of the Standalone Ind AS financial statements regarding the merger of ACS Technologies Limited (transferor company) into the company with effect from 01 April 2022 and its consequential impacts as detailed in the said note. As specified in the scheme of merger, it has been accounted as specified in Indian Accounting Standard 103 – Business Combinations. All assets and liabilities of transferor company have been recorded at their respective existing book values. The difference

between the book values of the net assets so recorded and the consideration being the face value of equity shares issued by the Company to the shareholders of transferor company amounting to INR 269,900.47 thousand has been recognised as Goodwill. The goodwill so recognised in the books on account of this merger is not amortized in the Financial Year 2022-23.

Information Other than the Consolidated financial statements and Auditor's Report Thereon

The Parent's Board of Directors is responsible for preparation of other information. The other information comprises the information included in the Report of the Board of Directors including Annexures thereto, Management Discussion and Analysis Report, Corporate Governance and shareholder's information, but does not include the consolidated financial statements, standalone financial statements and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information, compare with the financial statements of the subsidiary audited by the other auditors, to the extent it relates to these entities and, in doing so, place reliance on the work of the other auditors and consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. Other information so far as it relates to the subsidiary is traced from their financial statements audited by the other auditors.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibility of Management and Those Charged with Governance for the Consolidated financial statements.

The Parent's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation and presentation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated changes in equity and consolidated cash flows of the Group in accordance with the Ind AS and other accounting principles generally accepted in India. The respective Boards of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Parent, as aforesaid.

In preparing the consolidated financial statements, the respective Boards of Directors of the companies included in the Group are responsible for assessing the ability of the respective entities to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Boards of Directors either intend to liquidate their respective entities or to cease operations, or have no realistic alternative but to do so.

The respective Boards of Directors of the companies included in the Group are also responsible for overseeing the financial reporting process of the Group.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the Consolidated Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Consolidated Financial Statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the Parent has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Consolidated financial statements, including the disclosures, and whether the Consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such business activities included in the consolidated financial statements of which we are the independent auditors. For the business activities included in the consolidated financial statements,

which have been audited by the other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

Materiality is the magnitude of misstatements in the consolidated financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the consolidated financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the consolidated financial statements.

We communicate with those charged with governance of the Parent and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Consolidated Financial Statements for the financial year ended March 31, 2023 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

OTHER MATTER

We did not audit the financial statements of subsidiary, included in the consolidated financial statements of the Company whose financial statements includes total assets of ₹ 18,209.46 thousand as at March 31, 2023, total revenue of ₹ 6141.10 thousand and net cash inflows amounting to ₹ 22.44 thousand for the year ended on that date. This financial statement has been audited by other auditor whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of this subsidiary and our report in terms of subsection (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiary is based solely on the reports of the other auditors.

Our opinion above on the Consolidated Financial Statements above, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our

reliance on the work done and the reports of the other auditors on separate financial statements and the other financial information of subsidiary.

Report on Other Legal and Regulatory Requirements

1. With respect to the matters specified in clause (xxi) of paragraph 3 and paragraph 4 of the Companies (Auditor's Report) Order, 2020 ("CARO"/the "Order") issued by the Central Government in terms of Section 143(11) of the Act, according to the information and explanations given to us, and based on the CARO reports issued by us included in the consolidated financial statements to which reporting under CARO is applicable, as provided to us by the Management of the Parent Company, we report that there are no qualifications or adverse remarks in the CARO reports of the said companies included in the consolidated financial statements.
2. As required by Section 143(3) of the Act, based on our audit and on the consideration of report of the other auditors on separate financial statements of subsidiary, as noted in the 'other matter' paragraph we report, to the extent applicable, that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
 - b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books, returns and the reports of the other auditors
 - c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including Other Comprehensive Income, Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
 - d) In our opinion, the aforesaid Consolidated financial statements comply with the Ind AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - e) On the basis of the written representations received from the directors of the Parent as on March 31, 2023 taken on record by the Board of Directors of the Company and the reports of the statutory auditors of its subsidiary companies incorporated in India, none of the directors of the Group companies incorporated in India is disqualified as on March 31, 2023 from being appointed as a director in terms of Section 164 (2) of the Act.
 - f) With respect to the adequacy of the internal financial controls over financial reporting and the operating effectiveness of such controls, refer to our separate Report in "Annexure A" which is based on the auditors' reports of the parent and its subsidiary companies incorporated in India. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of internal financial controls over financial reporting of those companies.

- g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of Section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Parent to its directors during the year is in accordance with the provisions of Section 197 of the Act.

In our opinion, the managerial remuneration for the year ended 31 March 2023 has been paid / provided by the Company to its Directors in accordance with the provisions of Sec 197 read with Schedule V of the Act.

- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

- i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group.
- ii. Provision has been made in the consolidated financial statements, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.
- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Parent and its subsidiary company.
- iv. (a) The respective Managements of the parent Company and its subsidiary which is company incorporated in India, whose financial statements have been audited under the Act, have represented to us that, to the best of their knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the parent company or its subsidiary to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the parent company or its subsidiary ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(b) The respective Managements of the parent company and its subsidiary which is company incorporated in India, whose financial statements have been audited under the Act, have represented to us that, to the best of their knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the parent company or its subsidiary from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the parent company or its subsidiary shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries. and

(c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances performed by us and those performed by the auditors of the subsidiary which is incorporated in India whose financial statements have been audited under the Act, nothing has come to our notice that has caused us to believe that the representations, as provided under (a) and (b) above, contain any material misstatement.

- v) The Parent company or its subsidiary has not declared or paid any dividend during the year.
- vi) Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable w.e.f. April 1, 2023 to the Parent Company and its subsidiary incorporated in India, and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended March 31, 2023

For **Gorantla & Co**
Chartered Accountants
Firm's Registration No.: 016943S

Sriranga Gorantla
Partner
Membership No.: 222450
UDIN – 23222450BGWYW1253

Place: Hyderabad
Date: 30-05-2023

Annexure 'A' to the Independent Auditor's Report of LN Industries India Limited for the Year ended as on 31st March 2023

(Referred to in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of LN Industries India Limited of even date)

Report on the Internal Financial Controls With reference to Consolidated Financial Statements under Clause (i) of sub-section 3 of Section 143 of the Companies Act, 2013 (the "Act")

We have audited the internal financial controls with reference to Consolidated Financial Statements of LN Industries India Limited (the "Parent") and its subsidiary incorporated in India as of March 31, 2023 in conjunction with our audit of the consolidated financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Management of the respective companies are responsible for establishing and maintaining internal financial controls with reference to consolidated financial statements based on the internal control Over Financial Reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to Consolidated Financial Statements of the Parent and its subsidiary company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the ICAI and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls with reference to Consolidated Financial Statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to Consolidated Financial Statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to Consolidated Financial Statements and their operating effectiveness. Our audit of internal financial controls with reference to Consolidated Financial Statements included obtaining an understanding of internal financial controls with reference to Consolidated Financial

Statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained, is sufficient and appropriate to provide a basis for our audit opinion on the parent's internal financial controls system with reference to Consolidated Financial Statements.

Meaning of Internal Financial Controls with reference to Consolidated Financial Statements

A company's internal financial control with reference to Consolidated Financial Statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to Consolidated Financial Statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with reference to Consolidated Financial Statements

Because of the inherent limitations of internal financial controls Over Financial Reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to Consolidated Financial Statements to future periods are subject to the risk that the internal financial control with reference to Consolidated Financial Statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Parent and its subsidiary company, in all material respects, an adequate internal financial controls system with reference to Consolidated Financial Statements and such internal financial controls with reference to Consolidated Financial Statements were operating effectively as at March 31, 2023, based on the criteria for internal financial control with reference to Consolidated Financial Statements established by respective companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Other matters

Our report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to Consolidated Financial Statements of the Parent, in so far as it relates to one subsidiary which is company incorporated in India, is based on the corresponding reports of the other auditor of such subsidiary incorporated in India.

For **Gorantla & Co**

Chartered Accountants

Firm's Registration No.: 016943S

Sriranga Gorantla

Partner

Membership No.: 222450

UDIN – 23222450BGWMYW1253

Place: Hyderabad

Date: 30-05-2023

LN INDUSTRIES INDIA LIMITED

Notes to the Consolidated financial statements for the year ended March 31, 2023

1 Corporate information

The Consolidated financial statements comprise financial statements of LN Industries India Limited ("the Company") for the year ended March 31, 2023. The Company is a Company domiciled in India and incorporated under the provisions of Companies Act applicable in India on, 28 April, 1995. Its shares are listed on recognized stock exchanges of India, the Bombay Stock Exchange Limited. The registered office of the Company is located at Level 7, Pardha's Picasa, Madhapur, Hyderabad – 500081 Telangana, India.

The company is primarily engaged in the business as "System Integrator, Security and Surveillance, IOT Solutions, Software Products and Services" in the area of Information Technology.

The company was admitted in NCLT and Resolution Plan submitted by Mr. Ashok Kumar Buddharaju and Mr. Vivek Ratakonda was given consent by CoC. Hon'ble NCLT issued order dated 24th March, 2023 in respect of the resolution plan submitted by them and declared as successful resolution applicants. ACS Technologies Limited has been merged with the company as a part of the scheme of the arrangement mentioned in the resolution plan. Such merger is effective from the financial year 2022-23, hence the financials shown in the statements are including the financials of ACS Technologies Limited. Consideration offered by the Resolution Applicants in the plan has brought in well within the timelines given in the Hon'ble NCLT order. Such consideration has been disbursed to the respective parties as a per the approved resolution plan.

Successful Resolution Applicants took over the management affairs of the company including the induction directors in the board and appointment of key management personnel. The company is in the process of completing the other procedures as mentioned in the successful resolution plan and approach Bombay Stock Exchange for listing of shares as per the approved resolution plan.

The Consolidated financial statements are approved for issue by the Company's Board of Directors on 30th May, 2023.

2 Significant Accounting Policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Indian Accounting Standards (referred to as "Ind AS") as notified under the Companies (Indian Accounting Standards) Rules, 2015 read with Section 133 of the Companies Act, 2013 (as amended from time to time) and presentation requirements of Division II of Schedule III to the Companies Act, 2013, (Ind AS compliant Schedule III), as applicable to the Consolidated financial statement.

These financial statements have been prepared in Indian Rupee which is also the functional currency of the Company and all values are rounded to the thousands, except when otherwise indicated. These financial statements have been prepared on historical cost basis, except for certain financial assets and liabilities which are measured at fair value or amortized cost at the end of each reporting period, as explained in the accounting policies below.

2.2 Significant accounting judgements, estimates and assumptions.

The preparation of the Company's Consolidated financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Critical accounting estimates

- i. **Goodwill:** Excess consideration paid over business value transferred under scheme of arrangement is considered as Goodwill and will be impaired over a period of time on straight line basis.
- ii. **Taxes:** Deferred tax assets are recognized to the extent that it is probable that taxable profit will be available against which the same can be utilized. A significant management judgement is required to determine the amount of deferred tax assets that can be recognized, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.
- iii. **Provisions and Contingent Liability:** The timing of recognition and quantification of the liability (including litigations) requires the application of judgement to existing facts and circumstances, which can be subject to change. The carrying amounts of provisions and liabilities are reviewed regularly and revised to take account of changing facts and circumstances.

2.3 Current versus non-current classification

The Company presents assets and liabilities in the Consolidated balance sheet based on current/non-current classification.

An asset is treated as current when it is:

- i. "Expected to be realized or intended to be sold or consumed in normal operating cycle,"
- ii. Held primarily for the purpose of trading,
- iii. Expected to be realized within twelve months after the reporting period, or
- iv. Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

- i. It is expected to be settled in the company's normal operating cycle.
- ii. It is held primarily for the purpose of being traded;
- iii. It is due to be settled within twelve months after the reporting date; or
- iv. The company does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting date. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

All other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

Operating cycle for current and non-current classification

Operating cycle is the time between the acquisition of assets for processing and their realization in cash or cash equivalents. The company has taken Operating cycle to be twelve months.

2.4 Fair value measurement of financial instruments

The Company measures financial instruments, such as, Investments at fair value at each balance sheet date using valuation techniques. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- a) In the principal market for the asset or liability, or
- b) In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the Consolidated financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities.

Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.

Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable For assets and liabilities that are recognized in the Consolidated financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For assets and liabilities that are recognized in the Consolidated financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

2.5 Property, Plant and Equipment

Property, plant and equipment are stated at cost, less accumulated depreciation and accumulated impairment losses, if any. The cost comprises purchase price, borrowing costs if capitalization criteria are met, directly attributable cost of bringing the asset to its working condition for the intended use and initial estimate of decommissioning, restoring and similar liabilities. Any trade discounts and rebates are deducted in arriving at the purchase price. Such a cost includes the cost of replacing part of the plant and equipment. When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognized in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognized in profit or loss as incurred. Gains or losses arising from derecognition of Property, plant and equipment are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.

2.6 Intangible asset

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortization and accumulated impairment losses. The useful lives of intangible assets are assessed as either finite or indefinite. Intangible assets with finite lives are amortized over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortization period and the amortization method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period with the affect of any change in the estimate being accounted for on a prospective basis. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortization period or method, as appropriate, and are treated as changes in accounting estimates. The amortization expense on intangible assets with finite lives is recognized in the statement of profit and loss unless such expenditure forms part of carrying value of another asset.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.

Business Combination

ACS Technologies Limited merged with the company as per the scheme of arrangement approved by the Hon'ble NCLT, Hyderabad bench vide its order dated CP(IB) No.17/9/HDB/2022 dated 24th March, 2023.

Goodwill calculation statement

INR in Thousands

Particulars	Amount
Book value of assets and liabilities transferred	
Property, plant and Equipment	1,18,130.45
Investments	20,050.53
Current Assets	6,53,606.80
Total Assets	7,91,787.78
Reserves & Surplus	2,61,364.48
Non Current Liabilities	58,398.04
Current Liabilities	2,02,124.80
Total Liabilities	5,21,887.31
Net Assets	2,69,900.47
Face value of equity shares of 5,39,80,094 Number issued to shareholders of ACS Technologies Limited	5,39,800.94
Goodwill	2,69,900.47

* During the year, the company has recognised goodwill amounting to Rs. 26,99,00,470/- arising out of the scheme of arrangement of merger of ACS Technologies Limited. The company is amortising goodwill over a period of 10 years on straight line basis from the year 2023-24 as the scheme of arrangement order has pronounced on 24th March, 2023 and received in the month of April 2023.

2.7 Depreciation and Amortization

Depreciation on Property, plant and equipment is provided on the written down value basis over the useful lives of assets specified in Schedule II to the Companies Act, 2013.

Software being intangible asset is amortized on written down value basis over a period of 6 years.

Goodwill being intangible asset is amortized on straight line basis over a period of 10 years.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate. The amortization period and the amortization method are reviewed at least at each financial year end.

2.8 "Impairment of Financial and Non-Financial Assets"

"The impairment provisions for Financial Assets are based on assumptions about risk of default and expected cash loss rates. The Company uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period."

In the case of non-financial assets, assessment of impairment indicators involves consideration of future risks. Further, the company estimates the assets' recoverable amount, which is higher of an asset's or Cash Generating Units (CGU's) fair value less costs of disposal and its value in use.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account, if no such transactions can be identified, an appropriate valuation model is used.

2.9 Revenue Recognition

The company is primarily engaged in the business as “System Integrator, Security and Surveillance, IOT Solutions, Software Products and Services” in the area of Information Technology.

Revenue from operation

Revenues from customer contracts are considered for recognition and measurement when the contract has been approved by the parties, in writing, to the contract, the parties to contract are committed to perform their respective obligations under the contract, and the contract is legally enforceable. Revenue is recognized upon transfer of control of promised products or services (“performance obligations”) to customers in an amount that reflects the consideration the Company has received or expects to receive in exchange for these products or services (“transaction price”). When there is uncertainty as to collectability, revenue recognition is postponed until such uncertainty is resolved.

Contract balances

i. Trade receivables: The amounts billed on the customer for work performed and are unconditionally due for payment i.e., only passage of time is required before payment falls due, are disclosed in the balance sheet as trade receivables.

ii. Contract liabilities: A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration or is due from the customer. If a customer pays consideration before the Company transfers goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier).

Contract liabilities are recognised as revenue when the Company performs under the contract.

Interest income

Interest income from a financial asset is recognised using an effective interest rate method.

Dividend

Dividend income is recognised when the Company's right to receive the payment is established, which is generally when shareholders approve the dividend.

2.10 Taxes on income

Current income tax

Tax expense for the year comprises current and deferred tax. The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the Consolidated statement of profit and loss because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Company's liability for current tax is calculated using the tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

"Deferred tax liabilities are recognised for all taxable temporary differences, except:"

- i. When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.
- ii. In respect of taxable temporary differences associated with investments in subsidiary and interests in joint ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except:

- i. When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.
- ii. In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognized deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

"All other acquired tax benefits realized are recognised in profit or loss."

2.11 Earnings Per Share

Basic earnings per equity share is computed by dividing the net profit attributable to the equity shareholders of the Company by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period is adjusted for events such as fresh issue, bonus issue that have changed the number of equity shares outstanding, without a corresponding change in resources.

Diluted earnings per equity share is computed by dividing the net profit attributable to the equity shares holders of the Company by the weighted average number of equity shares considered for deriving basic earnings per equity share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations. Potential dilutive equity shares are deemed to be converted as at the beginning of the period, unless they have been issued at a later date. Dilutive potential equity shares are determined independently for each period presented.

2.12 Leases

Where the Company is lessee

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

i) Right-of-use asset

"The Company recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

The right-of-use assets are also subject to impairment."

ii) Lease Liabilities

At the commencement date of the lease, the company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Company exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index

or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

iii) Short-term leases and leases of low-value assets

The Company applies the short-term lease recognition exemption to its short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

2.13 Foreign currencies transactions and translation

The Company's financial statements are presented in Indian Rupee, which is also the Company's functional currency.

In preparing the financial statements, transactions in the currencies other than the Company's functional currency are recorded at the rates of exchange prevailing on the date of transaction. At the end of each reporting period, monetary items denominated in the foreign currencies are retranslated at the rates prevailing at the end of the reporting period. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing on the date when the fair value was determined. Non-monetary items are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences arising on the retranslation or settlement of other monetary items are included in the statement of profit and loss for the period.

2.14 Cash and Cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value. For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

2.15 Employee benefits

Defined benefit plans

Gratuity liability is a defined benefit obligation and is provided for on the basis of an actuarial valuation on Projected Unit Credit Method made at the end of the financial year. Actuarial gains and losses for both defined benefit plans are recognized in full in the period in which they occur in the statement of OCI.

Re-measurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the Consolidated balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Re-measurements are not reclassified to profit or loss in subsequent periods.

"Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. Past service costs are recognised in profit or loss on the earlier of:

- The date of the plan amendment or curtailment, and
- The date that the Company recognises related restructuring costs

Termination benefits

The Company recognizes termination benefit as a liability and an expense when the Company has a present obligation as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. If the termination benefits fall due more than 12 months after the balance sheet date, they are measured at present value of future cash flows using the discount rate determined by reference to market yields at the balance sheet date on government bonds.

Compensated Absences

The Company treats accumulated leave expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes. Such long-term compensated advances are provided for based on the actuarial valuation using the projected unit credit method at the year-end. Remeasurement gains/losses on defined benefit plans are immediately taken to the Statement of Profit & Loss and are not deferred.

2.16 Provisions and Contingencies

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain.

The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

A provision for onerous contracts is recognised when the expected benefits to be derived by the Company from a contract are lower than the unavoidable cost of meeting its obligations under the contract. The provision is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Before a provision is established, the Company recognises any impairment loss on the assets associated with that contract.

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the Consolidated financial statements.

Provisions and contingent liability are reviewed at each balance sheet.

2.17 Borrowing costs

Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds including interest expense calculated using the effective interest method, finance charges in respect of assets acquired on finance lease. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset until such time as the assets are substantially ready for the intended use or sale. All other borrowing costs are expensed in the year in which they occur.

2.18 Related party transactions

The transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the period-end are unsecured and settlement occurs in cash or credit as per the terms of the arrangement. Impairment assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

2.19 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets

Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Subsequent measurement of financial assets: All recognised financial assets are subsequently measured in their entirety at either amortized cost or fair value, depending on the classification financial assets.

Following are the categories of financial instrument:

- a) Financial assets at amortized cost.
- b) Financial assets at fair value through other comprehensive income (FVTOCI)
- c) Financial assets at fair value through profit or loss (FVTPL)

a) Financial assets at amortized cost

Financial assets are subsequently measured at amortized cost using the effective interest rate method if these financial assets are held within a business whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

b) Financial assets at fair value through other comprehensive income (FVTOCI) "

Debt financial assets measured at FVOCI:

Debt instruments are subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on

specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Equity Instruments designated at FVOCI:

On initial recognition, the Company makes an irrevocable election on an instrument-by-instrument basis to present the subsequent changes in fair value in other comprehensive income pertaining to investments in equity instruments, other than equity investment which are held for trading. Subsequently, they are measured at fair value with gains and losses arising from changes in fair value recognised in other comprehensive income and accumulated in the 'Reserve for equity instruments through other comprehensive income'. The cumulative gain or loss is not reclassified to profit or loss on disposal of the investments.

c) Financial assets at fair value through profit or loss (FVTPL)

Investments in equity instruments are classified as at FVTPL, unless the Company irrevocably elects on initial recognition to present subsequent changes in fair value in other comprehensive income for investments in equity instruments which are not held for trading. Other financial assets such as unquoted Mutual funds are measured at fair value through profit or loss unless it is measured at amortized cost or at fair value through other comprehensive income on initial recognition.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognized (i.e., removed from the Company's balance sheet) when:

- a) the rights to receive cash flows from the asset have expired, or
- b) the Company has transferred its rights to receive cash flows from the asset, and
 - i) the Company has transferred substantially all the risks and rewards of the asset, or
 - ii) the Company has neither transferred nor retained substantially all the risks and rewards of the asset but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognize the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained. Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

Impairment of financial assets

In accordance with Ind AS 109, the Company applies expected credit loss ('ECL') model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

- a) Financial assets that are debt instruments, and are measured at amortized cost e.g., loans, deposits, trade receivables and bank balance.
- b) Financial assets that are debt instruments and are measured at FVTOCI.
- c) Financial guarantee contracts which are not measured as at FVTPL.

"The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables. The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition."

"For recognition of impairment loss on other financial assets and risk exposure, the Company determines whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date. "

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR. When estimating the cash flows, an entity is required to consider:

- i) All contractual terms of the financial instrument (including prepayment, extension, call and similar options) over the expected life of the financial instrument. However, in rare cases when the expected life of the financial instrument cannot be estimated reliably, then the entity is required to use the remaining contractual term of the financial instrument.
- ii) Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in the Statement of Profit and Loss. This amount is reflected under the head 'other expenses' in the Statement of Profit and Loss. In the balance sheet, ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the Company does not reduce impairment allowance from the gross carrying amount.

Offsetting:

Financial assets and financial liabilities are offset and the net amount is reported in the Consolidated balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables. All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs. The Company's financial liabilities include trade and other payables, loans and borrowings.

Subsequent measurement

"The measurement of financial liabilities depends on their classification, as described below:"

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities designated upon initial recognition as at fair value through profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognized in OCI. These gains/ losses are not subsequently transferred to P&L. However, the Company may transfer the cumulative gain or loss within equity. All other changes in the fair value of such liability are recognised in the statement of profit or loss. The Company has not designated any financial liability as at fair value through profit and loss.

Gains or losses on liabilities held for trading are recognised in the profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognized in OCI. These gains/ loss are not subsequently transferred to P&L. However, the Group may transfer the cumulative gain or loss within equity. All other changes in the fair value of such liability are recognised in the statement of profit or loss.

Loans and borrowings

"This is the category most relevant to the Company. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognized as well as through the EIR amortization process. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the statement of profit and loss.

This category generally applies to borrowings."

De-recognition

"A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit and loss.

"Financial guarantee contracts issued by the Company are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognised less cumulative amortization.

Reclassification of financial assets

The Company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The Company's senior management determines change in the business model as a result of external or internal changes which are significant to the Company's operations. Such changes are evident to external parties. A change in the business model occurs when the Company either begins or ceases to perform an activity that is significant to its operations. If the Company reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Company does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

For Gorantla & Co.,
Chartered Accountants
Firm's Registration No. 016943S

For and on behalf of the Board of Directors of
LN Industries India Limited

Sri Ranga Gorantla
Partner
Membership No: 222450
UDIN: 23222450BGWYW1253

Ashok Kumar Buddharaju
Chairman and Managing
Director
DIN: 03389822

Anitha Alokam
Director
DIN: 07309591

Place: Hyderabad
Date: 30/05/2023

A. Prabhakara Rao
Chief Financial Officer

P.V. Nagarjuna
Company Secretary
ACS: 64793

LN INDUSTRIES INDIA LIMITED

Consolidated Balance Sheet as at March 31, 2023

(All amounts INR in Thousands)

	Notes	As at 31-03-2023	As at 31-03-2022
Assets			
Non-current assets			
Property, plant and equipment	3	40,635.44	-
Goodwill	4	2,69,900.47	-
Other Intangible assets	4	81,019.83	-
Intangible Assets under development		4,750.00	-
Financial assets		-	-
Investment	5	19,999.53	-
Other non-current assets	10	31,844.04	-
		4,48,149.31	-
Current assets			
Inventories	6	1,46,026.06	-
Financial assets			
Trade receivables	7	4,61,308.46	-
Cash and cash equivalents	8	2,155.79	52.30
Bank balances other than cash and cash equivalent	8	14,195.21	5,742.99
Other financial assets	9	7,111.58	3,626.56
Other current assets	10	38,940.34	-
		6,69,737.43	9,421.84
Total assets		11,17,886.74	9,421.85
Equity and liabilities			
Equity			
Equity share capital	11	5,59,419.48	10,16,859.00
Other equity	12	2,62,093.16	(13,35,904.07)
Non Controlling Interest		49.00	-
Total equity		8,21,561.64	(3,19,045.07)
Liabilities			
Non-current liabilities			
Financial liabilities			
Borrowings	13	71,878.23	2,78,085.19
Deferred tax liabilities (net)	14	6,777.05	-
Other non-current liabilities			
		78,655.29	2,78,085.19
Current liabilities			
Financial liabilities			
Borrowings	13	1,12,623.73	-
Trade payables	15		
i) total outstanding dues of micro enterprises and small enterprises		-	-
ii) total outstanding dues of creditors other than micro enterprises and small enterprises		86,055.61	45,782.81
Other current liabilities	16	8,223.76	4,598.92
Provisions	17	10,766.71	-
		2,17,669.81	50,381.72
Total liabilities		2,96,325.10	3,28,466.91
Total equity and liabilities		11,17,886.74	9,421.84

The accompanying notes are an integral part of the consolidated financial statements
In terms of our report attached

For Gorantla & Co.
Chartered Accountants
ICAI Firm registration number: 016943S

For and on behalf of the Board of Directors of
LN INDUSTRIES INDIA LIMITED
CIN: L18100TG1993PLC015268

Sri Ranga Gorantla
Designated Partner
Membership No.:222450
UDIN: 23222450BGWMYW1253

Ashok Kumar Buddharaju
Chairman & Managing Director
DIN: 03389822

Anitha Alokam
Director
DIN: 07309591

Place: Hyderabad
Date: 30/05/2023

A. Prabhakara Rao
Chief Financial Officer

P.V. Nagarjuna
Company Secretary
M. No.:64793

LN INDUSTRIES INDIA LIMITED**Statement of Consolidated Profit and Loss for the year ended March 31, 2023**

(All amounts INR in Thousands, except share data and where otherwise stated)

	Notes	31-Mar-23	31-Mar-22
Income			
Revenue from operations	18	6,94,497.62	-
Other income	19	516.95	-
Total Income		6,95,014.57	-
Expenses			
Direct Expenses	20	5,53,363.71	-
Changes in inventories of Stock-in-trade	21	(3,933.84)	-
Employee benefits expense	22	71,606.54	-
Finance costs	23	18,359.65	-
Depreciation and amortisation expense	24	13,642.10	-
Other expenses	25	11,550.41	100.00
Total expenses		6,64,588.56	100.00
Profit before exceptional items and tax		30,426.00	(100.00)
Exceptional items		-	-
Profit before tax		30,426.00	(100.00)
Tax expenses			
Current tax		5,078.71	-
Deferred tax charge/ (credit)		1,363.76	-
MAT (Credit)		(5,037.44)	-
Income tax expense		1,405.03	-
Profit for the year		29,020.97	(100.00)
Other comprehensive income			
Other comprehensive income not to be reclassified to profit or loss in subsequent periods:			
Re-measurement gains/ (losses) on defined benefit plan		-	-
Income tax effect		-	-
Other comprehensive income for the year, net of tax		-	-
Total comprehensive income for the year		29,020.97	(100.00)
Earnings per equity share (in INR) [nominal value of INR 10 per shar (Previous year - INR 10			
Basic		0.51	-
Diluted		0.61	-

The accompanying notes are an integral part of the consolidated financial statements
In terms of our report attached

For Gorantla & Co.
Chartered Accountants
ICAI Firm registration number: 016943S

For and on behalf of the Board of Directors of
LN INDUSTRIES INDIA LIMITED
CIN: L18100TG1993PLC015268

Sri Ranga Gorantla
Designated Partner
Membership No.:222450
UDIN: 23222450BGWYW1253

Ashok Kumar Buddharaju
Chairman & Managing Director
DIN: 03389822

Anitha Alokam
Director
DIN: 07309591

Place: Hyderabad
Date: 30/05/2023

A. Prabhakara Rao
Chief Financial Officer

P.V. Nagarjuna
Company Secretary
M. No.:64793

LN INDUSTRIES INDIA LIMITED**Statement of Consolidated Cash Flows for the year ended March 31, 2023**

(All amounts INR in Thousands)

	31-Mar-23	31-Mar-22
Operating activities		
Profit / (Loss) before tax	30,426.00	(100.00)
<i>Adjustments to reconcile loss before tax to net cash flows:</i>		
Depreciation on property, plant and equipment & investment property	13,642.10	-
MAT Credit Entitlement	30.28	-
Finance income	(516.95)	-
Finance cost	18,359.65	-
Balance written off	-	-
<i>Working capital adjustments:</i>		
(Increase)/ decrease in trade receivables	(4,60,632.24)	-
(Increase)/ decrease in inventories	(1,40,868.36)	-
(Increase)/ decrease in financial assets	(40,642.41)	-
(Increase)/ decrease in other assets	-	-
Merger impact	5,355.18	-
Increase/ (decrease) in trade payables	40,272.81	-
Increase/ (decrease) in provisions	3,624.83	-
Increase/ (decrease) in other liabilities	9,694.55	100.00
	(5,21,254.56)	-
Income tax paid (net of refund)	(71.55)	-
Net cash flows from / (used in) operating activities (A)	(5,21,326.12)	-
Investing activities		
Purchase of property, plant and equipment	(44,122.00)	-
Purchase of intangible assets	(91,738.99)	-
Bank Balance other than cash and cash equivalent	-	-
Investment made in subsidiary and others	(20,050.53)	-
Interest received	516.95	-
Net cash flows from / (used in) investing activities (B)	(1,55,394.58)	-
Financing activities		
Proceeds from borrowings, net	1,12,623.73	-
Repayment of unsecured loans	(2,17,039.13)	-
Non current assets	(31,844.04)	-
Issue of share capital	(4,86,935.60)	-
Interest paid (gross)	(18,359.65)	-
Profit from Transferor company (Opening Balance - Merger Impact)	76,434.61	-
Goodwill	(2,69,900.47)	-
Securities Premium	(9,03,672.00)	-
General Reserve	(1,500.00)	-
CIRP Adjustment	24,26,924.07	-
Net cash flows from / (used in) financing activities (C)	6,86,731.53	-
Net increase/ (decrease) in cash and cash equivalents	10,010.84	-
Cash and cash equivalents at the beginning of the year (refer note 10)	6,340.16	5,795.30
Cash and cash equivalents at the end of the period (refer note 10)	16,351.00	5,795.30

The accompanying notes are an integral part of the consolidated financial statements

In terms of our report attached

For Gorantla & Co.

Chartered Accountants

ICAI Firm registration number: 016943S

Sri Ranga Gorantla

Designated Partner

Membership No.:222450

UDIN: 23222450BGWYW1253

Place: Hyderabad

Date: 30/05/2023

For and on behalf of the Board of Directors of

LN INDUSTRIES INDIA LIMITED

CIN: L18100TG1993PLC015268

Ashok Kumar Buddharaju

Chairman & Managing Director

DIN: 03389822

A. Prabhakara Rao

Chief Financial Officer

Anitha Alokam

Director

DIN: 07309591

P.V. Nagarjuna

Company Secretary

M. No.:64793

LN INDUSTRIES INDIA LIMITED

Notes to the Consolidated financial statements for the year ended March 31, 2023

(All amounts INR in Thousands, except share data and where otherwise stated)

3 Property, plant and equipment

	in Thousands						
	Land	Computers	Electrical Installation	Furniture and fixtures	Office equipment	Vehicle	Total
Cost or valuation							-
At April 1, 2021	-	15,706.30	1,718.30	2,669.41	2,067.46	18,954.58	41,116.05
Additions	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-
At March 31, 2022	-	15,706.30	1,718.30	2,669.41	2,067.46	18,954.58	41,116.05
At April 1, 2022	-	15,706.30	1,718.30	2,669.41	2,067.46	18,954.58	41,116.05
Additions	18,699.55	724.00	1,144.48	4,307.28	1,966.92	-	26,842.23
Disposals	-	-	-	-	-	-	-
At March 31, 2023	18,699.55	16,430.30	2,862.78	6,976.68	4,034.38	18,954.58	67,958.28
Depreciation and impairment							
At April 1, 2021	-	10,656.97	1,067.90	2,241.86	1,870.96	5,872.71	21,710.40
Depreciation charge for the year	-	842.13	130.08	42.76	39.30	1,635.23	2,689.50
Disposals	-	-	-	-	-	-	-
At March 31, 2022	-	11,499.10	1,197.98	2,284.62	1,910.26	7,507.94	24,399.90
At April 1, 2022	-	11,499.10	1,197.98	2,284.62	1,910.26	7,507.94	24,399.90
Depreciation charge for the year	-	726.83	233.73	252.25	279.29	1,430.83	2,922.94
Disposals	-	-	-	-	-	-	-
At March 31, 2023	-	12,225.93	1,431.71	2,536.87	2,189.55	8,938.77	27,322.84
Net Book value							
At April 1, 2021	-	5,049.33	650.41	427.55	196.49	13,081.87	19,405.65
At April 1, 2022	-	4,207.20	520.33	384.79	157.20	11,446.64	16,716.15
At March 31, 2023	18,699.55	4,204.37	1,431.07	4,439.82	1,844.83	10,015.81	40,635.44

4 Goodwill and Other Intangible assets

	Goodwill	Computer Software
Cost or valuation		
At April 1, 2021	-	1,03,490.09
Additions	-	2,845.16
Disposals	-	-
At March 31, 2022	-	1,06,335.25
At April 1, 2022	-	1,06,335.25
Additions	2,69,900.47	27,500.00
Disposals	-	-
At March 31, 2023	2,69,900.47	1,33,835.25
Amortization and impairment		
At April 1, 2021	-	29,702.29
Amortization charge for the year	-	12,393.97
Disposals	-	-
At March 31, 2022	-	42,096.26
At April 1, 2022	-	42,096.26
Amortization charge for the year	-	10,719.16
Disposals	-	-
At March 31, 2023	-	52,815.42
Net Book value		
At April 1, 2021	-	73,787.80
At April 1, 2022	-	64,238.99
At March 31, 2023	2,69,900.47	81,019.83

LN INDUSTRIES INDIA LIMITED

Notes to the Consolidated financial statements for the year ended March 31, 2023

(All amounts INR in Thousands, except share data and where otherwise stated)

8 Cash and cash equivalents and other bank balances

	31-Mar-23	31-Mar-22
Cash and cash equivalents		
<i>Balances with banks:</i>		
- On current accounts	1,996.88	52.30
- Deposits with less than three months maturity	-	-
Cash on hand	158.91	-
Cash and cash equivalents Balances with banks:	2,155.79	52.30
Other bank balances		
- Deposits with maturity for less than 12 months	-	-
- Deposits with maturity for more than 12 months*	-	-
- Margin money deposit	-	-
- Deposits with maturity for more than 3 months but less than 12 months	14,195.21	5,742.99
	14,195.21	5,742.99

9 Other financial assets

	Current		Non-current	
	31-Mar-23	31-Mar-22	31-Mar-23	31-Mar-22
Unsecured and considered good, unless otherwise stated				
Security deposits	3,667.87	-	-	3,626.56
Interest accrued on fixed deposits	2,945.91	-	-	-
Advance to employee	497.80	-	-	-
Trade advance to related parties	-	-	-	-
Other advances	-	-	-	-
Considered Doubtful				
Other receivables	-	-	-	-
Less: Provision for Doubtful receivables	-	-	-	-
Net Other financial assets	7,111.58	-	-	3,626.56

10 Other assets

	Current		Non-current	
	31-Mar-23	31-Mar-22	31-Mar-23	31-Mar-22
Prepaid expenses	72.00	-	-	-
Balances with statutory/ government authorities	20,790.82	-	-	-
Advance to suppliers	17,569.19	-	-	-
Advance to related party	-	-	-	-
Other advances	508.33	-	-	-
Misc. Expenses to the extent not written off (on account of CIRP adjustment)	-	-	31,844.04	-
Total Other assets	38,940.34	-	31,844.04	-

LN INDUSTRIES INDIA LIMITED**Notes to the Consolidated financial statements for the year ended March 31, 2023**

(All amounts INR in Thousands, except share data and where otherwise stated)

11 Equity share capital

	in Thousands	
	31-Mar-23	31-Mar-22
Authorised Share Capital		
17,20,00,000 (14,50,00,000) Equity Shares of INR 10 each	17,20,000.00	14,50,000.00
Issued, Subscribed and Paid-up	-	-
5,57,41,948(10,16,85,900) Equity Shares of INR 10 each, fully paid-up	5,57,419.48	10,16,859.00
Share Application Money	2,000.00	-
Total Issued, Subscribed and Paid-up Equity Shares	5,59,419.48	10,16,859.00

Transferor company authorised capital of Rs.2,700.00 Lakhs i.e. 2,70,00,000 Equity shares of INR 10 each was included in the authorised capital in the year 2022-23 due to merger

The reconciliation of the number of shares as at March 31, 2023 is set out below:

	No. of Shares	in Thousands
Equity shares of INR 10 each issued, subscribed and fully paid		
At April 1, 2021	10,16,85,900	10,16,859.00
Add: Shares issued during the year	-	-
At March 31, 2022	10,16,85,900	10,16,859.00
Add: Shares issued during the year	5,39,80,094	5,39,800.94
Less: Extinguishment of shares during year	9,99,24,046	9,99,240.46
At March 31, 2023	5,57,41,948	5,57,419.48

Terms/ rights attached to equity shares

The Company has only one class of equity shares having par value of INR 10 per share. Each holder of equity shares is entitled to one vote per share. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend.

In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

Equity shares allotted as fully paid-up pursuant to scheme of arrangement without payment being received in cash

5,39,80,094 equity shares were issued during the financial year 2022-23 pursuant to scheme of arrangement between ACS Technologies Limited and the Company vide order passed by Honourable National Company Law Tribunal, Hyderabad Bench, Hyderabad-1 dated. March 24, 2023.

LN INDUSTRIES INDIA LIMITED
Notes to the Consolidated financial statements for the year ended March 31, 2023

(All amounts INR in Thousands, except share data and where otherwise stated)

Details of shareholders holding more than 5% shares in the Company

Name of the shareholder	Goodwill		31-Mar-22	
	No of Shares	Holding percentage	No of Shares	Holding percentage
Equity shares of INR.10 each fully paid up				
Ashok Kumar Buddharaju	64,14,068	11.88%	-	-
Ramadevi Buddharaju	55,51,892	10.29%	-	-
Prabhakara Rao Alokam	84,72,642	15.37%	-	-
Anitha Alokam	38,50,200	7.13%	-	-
Other Public	3,14,53,146	55.33%	-	-
HN Organiser & Developers LLP	-	-	67,50,000	6.64%
Akansha media & Ent. Pvt Ltd	-	-	72,00,000	7.08%
CVK Infrastructure Pvt Ltd	-	-	95,00,000	9.34%
LN Projects Pvt Ltd	-	-	1,00,00,000	9.83%
Secunderabad Healthcare Limited	-	-	1,48,00,000	14.55%

Details of Shares held by promoters
As at March 31, 2023

Promoter Name	No. of Shares at the beginning of the year	Change during the year	No. of shares at the end of year	% age of Total Shares	% change during the year
Equity shares of INR.10 each fully paid up					
Ashok Kumar Buddharaju	64,14,068		64,14,068	11.51%	11.51%
Ramadevi Buddharaju	55,51,892		55,51,892	9.96%	9.96%
Prabhakara Rao Alokam	84,72,642		84,72,642	15.20%	15.20%
Anitha Alokam	38,50,200		38,50,200	6.91%	6.91%
Snigdha Buddharaju	26,26,884		26,26,884	4.71%	4.71%
Deepak Alokam	50,608		50,608	0.09%	0.09%
Gowtham Alokam	5,000		5,000	0.01%	0.01%
Total	-	2,69,71,294	2,69,71,294	48.39%	48.39%

As at March 31, 2022

Promoter Name	No. of Shares at the beginning of the year	Change during the year	No. of shares at the end of year	% age of Total Shares	% change during the year
Equity shares of INR.10 each fully paid up					
LN Projects Pvt Ltd	1,00,00,000		1,00,00,000	9.83%	-
M. Raghava Reddy	42,000		42,000	0.04%	-
Surender Reddy. G	13,17,096		13,17,096	1.30%	-
Garlapati Pushpa Leela	6,84,913		6,84,913	0.67%	-
Suddala Manmohan Rao	13,75,080		13,75,080	1.35%	-
Suddala Saraladevi	1,73,910		1,73,910	0.17%	-
G. Surender Reddy	210		210	0.00%	-
Total	1,35,93,209	-	1,35,93,209	13.37%	-

Note : As per records of the Company, including its register of shareholders/ members and other declaration received from shareholders regarding beneficial interest, the above shareholding represent both legal and beneficial ownership of shares.

LN INDUSTRIES INDIA LIMITED

Notes to the Consolidated financial statements for the year ended March 31, 2023

(All amounts INR in Thousands, except share data and where otherwise stated)

12 Other equity

	Goodwill	in Thousands 31-Mar-22
Capital Reserve		
Balance at the beginning of the year	-	-
Changes during the year	-	-
Closing balance	-	-
General Reserve		
Balance at the beginning of the year	1,500.00	1,500.00
Changes during the year	(1,500.00)	-
Closing balance	-	1,500.00
Equity Share Premium Account		
Balance at the beginning of the year	10,89,520.00	10,89,520.00
Changes during the year	(10,89,520.00)	-
Transferor Company Premium during the year	1,85,848.00	-
Closing balance	1,85,848.00	10,89,520.00
Net Surplus / (deficit) in the statement of profit and loss		
Balance at the beginning of the year	(24,26,924.07)	(24,26,824.07)
Changes during the year	24,26,924.07	(100.00)
Transferor Company opening balance	76,720.27	-
Profit during the year	29,020.97	-
Bonus adjustment during the year	(29,496.08)	-
<i>Other comprehensive income</i>		
Re-measurement gains/ (losses) on defined benefit plans		
Net Surplus / (deficit) in the statement of profit and loss	76,245.16	(24,26,924.07)
Total other equity	2,62,093.16	(13,35,904.07)

LN INDUSTRIES INDIA LIMITED

Statement of changes in equity for the year ended March 31, 2023

(All amounts INR in Thousands, except share data and where otherwise stated)

a. Equity share capital

(1) Current reporting period

Particulars	Balance at the beginning of the current reporting period	Changes in equity share capital during the current year	Balance at the end of the current reporting period
Number of Shares	10,16,85,900	5,39,80,094	5,57,41,948
Amount (in Rs.)	1,01,68,59,000	53,98,00,940	55,74,19,480

(2) Previous reporting period

Particulars	Balance at the beginning of the previous reporting period	Changes in equity share capital during the previous year	Balance at the end of the previous reporting period
Number of Shares	10,16,85,900	-	10,16,85,900
Amount (in Rs.)	1,01,68,59,000	-	1,01,68,59,000

b. Other equity *

For the year ended March 31, 2023

Particulars				Total
	General Reserve	Security Premium	Retained earnings	
As at April 1, 2022	1,500.00	10,89,520.00	(24,26,924.07)	(13,35,904.07)
Changes during the year	(1,500.00)	(10,89,520.00)	24,26,924.07	13,35,904.07
Transferor Company opening balance	-	-	76,720.27	76,720.27
Profit/additions during the year of Transferor Company	-	1,85,848.00	29,020.97	2,14,868.97
Bonus of the Transferor company during the year	-	-	(29,496.08)	(29,496.08)
<i>Other comprehensive income</i>	-	-	-	-
Re-measurement gains/ (losses) on defined benefit plans	-	-	-	-
Total comprehensive income	-	1,85,848.00	76,245.16	2,62,093.16
As at March 31, 2023	-	1,85,848.00	76,245.16	2,62,093.16

LN INDUSTRIES INDIA LIMITED**Statement of changes in equity for the year ended March 31, 2023**

(All amounts INR in Thousands, except share data and where otherwise stated)

For the year ended March 31, 2022

Particulars	Attributable to equity holders of the Company			Total
	Reserves and Surplus			
	General Reserve	Security Premium	Retained earnings	
As at April 1, 2021	1,500.00	10,89,520.00	(24,26,824.07)	(13,35,804.07)
Profit / (Loss) for the year	-	-	(100.00)	(100.00)
Changes during the year	-	-	-	-
<i>Other comprehensive income</i>	-	-	-	-
Re-measurement gains/ (losses) on defined benefit plans	-	-	-	-
Total comprehensive income	1,500.00	10,89,520.00	(24,26,924.07)	(13,35,904.07)
As at March 31, 2022	1,500.00	10,89,520.00	(24,26,924.07)	(13,35,904.07)

*Also refer note 12

The accompanying notes are an integral part of the consolidated financial statements

In terms of our report attached

For Gorantla & Co.

Chartered Accountants

ICAI Firm registration number: 016943S

For and on behalf of the Board of Directors of

LN INDUSTRIES INDIA LIMITED

CIN: L18100TG1993PLC015268

Sri Ranga Gorantla

Designated Partner

Membership No.:222450

UDIN: 23222450BGWY1253

Ashok Kumar Buddharaju

Chairman & Managing Director

DIN: 03389822

Anitha Alokam

Director

DIN: 07309591

A. Prabhakara Rao

Chief Financial Officer

P.V. Nagarjuna

Company Secretary

M. No.:64793

Place: Hyderabad

Date: 30/05/2023

LN INDUSTRIES INDIA LIMITED**Notes to the Consolidated financial statements for the year ended March 31, 2023**

(All amounts INR in Thousands, except share data and where otherwise stated)

13 Borrowings

	in Thousands	
	31-Mar-23	31-Mar-22
Non-current borrowings		
Unsecured loans		
Unsecured loans from Promoters and relatives	9,730.28	83,764.00
From Corporate Bodies	33,278.81	1,94,321.19
Business Loan	22,326.39	-
	65,335.49	2,78,085.19
Secured loans		
Term Loan	2,382.65	-
Vehicle Loan	4,160.10	-
	6,542.75	-
Total of Non-current borrowings	71,878.23	2,78,085.19
Current borrowings		
Loan repayable on demand from Bank		
Working Capital from HDFC Bank Limited	98,516.36	-
Secured loans		
Current maturity of Long term loans	14,107.37	-
Unsecured loans		
Unsecured loans from Promoters and relatives	-	-
Total current borrowings	1,12,623.73	-

* The Company is having Fund Based limit of Rs. 12.00 Cr and Non-Fund Based limit of Rs. 2.00 Cr with HDFC Bank Limited. These Limits are secured by First Charge on Fixed Assets, Second Charge on Current Assets and Collateral Charge on Fixed Property of One of the Directors of the Company.

14 Deferred tax liabilities (net)

	in Thousands	
Particulars	31-Mar-23	31-Mar-22
<i>Deferred tax assets</i>		
Difference between carrying amounts of property, plant and equipment in		
On account of provision for gratuity and leave encashment		
On account of unabsorbed depreciation and carried forward losses		
Gross deferred tax assets	-	-
<i>Deferred tax liabilities</i>		
Difference between carrying amounts of property, plant and equipment in	5,413.30	-
Current Year Provision	1,363.76	-
Gross deferred tax liabilities	6,777.05	-
Net deferred tax liability	6,777.05	-
Net deferred tax liability recognised*	6,777.05	-

*Deferred tax asset is recognised to the extent of the probability of taxable profits in future periods.

LN INDUSTRIES INDIA LIMITED
Notes to the Consolidated financial statements for the year ended March 31, 2023

(All amounts INR in Thousands, except share data and where otherwise stated)

15 Trade payables

	in Thousands	
	31-Mar-23	31-Mar-22
- Total outstanding dues of micro enterprises and small enterprises	-	-
- Total outstanding dues of creditors other than	86,055.61	45,782.81
Total Trade payables	86,055.61	45,782.81

Trade Payable Aging Schedule

As at March 31, 2023						in Thousands
Particulars	Outstanding for following periods from due date of payment				Total	
	Less than 1 year	1- 2 years	2- 3 years	More than 3 years		
Total outstanding dues of micro enterprises and small enterprises	-	-	-	-	-	
Total outstanding dues of creditors other than micro enterprises and small enterprises	86,056	-	-	-	86,056	
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	
Total	86,056	-	-	-	86,056	

As at March 31, 2022						in Thousands
Particulars	Outstanding for following periods from due date of payment				Total	
	Less than 1 year	1- 2 years	2- 3 years	More than 3 years		
Total outstanding dues of micro enterprises and small enterprises	-	-	-	-	-	
Total outstanding dues of creditors other than micro enterprises and small enterprises	45,783	-	-	-	45,783	
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	
Total	45,783	-	-	-	45,783	

16 Other current liabilities

	in Thousands	
	31-Mar-23	31-Mar-22
Advance from customers	319.02	-
Payable towards statutory dues	-	-
Payable to employees	7,172.33	-
Creditors for expenses	732.41	4,598.92
Total Other current liabilities	8,223.76	4,598.92

Breakup of financial liabilities carried at amortised cost

	in Thousands	
	31-Mar-23	31-Mar-22
Borrowings	65,335.49	2,78,085.19
Other financial liabilities	-	-
Trade payables	86,055.61	45,782.81
Total financial liabilities carried at amortised cost	1,51,391.10	3,23,868.00

17 Provisions

	in Thousands			
	Short term		Long term	
	31-Mar-23	31-Mar-22	31-Mar-23	31-Mar-22
Provision for employee benefits				
Provision for gratuity	2,182.71	-	-	-
Provision for Income Tax	5,083.41	-	-	-
Provision for expenses	3,500.60	-	-	-
Total Provisions	10,766.71	-	-	-

LN INDUSTRIES INDIA LIMITED

Notes to the Consolidated financial statements for the year ended March 31, 2023

(All amounts INR in Thousands, except share data and where otherwise stated)

18 Revenue from operations

Particulars	in Thousands	
	31-Mar-23	31-Mar-22
Revenue from Sale of Goods and Services	5,63,847.12	-
Revenue from Export Services	1,30,650.50	-
	6,94,497.62	-

18.1 Disaggregated revenue information

Set out below is the disaggregation of the Company's revenue (other than rental income) from contracts with customers by timing of transfer of goods or services.

Timing of transfer of goods or services

Particulars	in Thousands	
	31-Mar-23	31-Mar-22
Revenue from goods or services transferred to customers at a point in time	6,94,497.62	-
Revenue from goods or services transferred over time	-	-
	6,94,497.62	-

19 Other income

Particulars	in Thousands	
	31-Mar-23	31-Mar-22
Interest on fixed deposits	516.95	-
	516.95	-

20 Direct Expenses

Particulars	in Thousands	
	31-Mar-23	31-Mar-22
Purchases and direct	4,88,321.56	-
Servicing & Repairs	49,865.59	-
Consultancy Charges	13,744.05	-
Discount Paid	1,432.50	-
	5,53,363.71	-

21 Changes in inventories of Stock-in-trade

Particulars	in Thousands	
	31-Mar-23	31-Mar-22
Opening stock		
-Stock	19,919.82	-
-Work in Progress	1,22,172.40	-
	1,42,092.22	-
Closing stock		
-Stock	24,075.42	-
-Work in Progress	1,21,950.64	-
	1,46,026.06	-
	(3,933.84)	-

LN INDUSTRIES INDIA LIMITED**Notes to the Consolidated financial statements for the year ended March 31, 2023**

(All amounts INR in Thousands, except share data and where otherwise stated)

22 Employee benefits expense

Particulars	in Thousands	
	31-Mar-23	31-Mar-22
Salaries, wages and bonus*	60,639.43	-
Contribution to provident and other funds	3,891.36	-
Gratuity expense	2,182.71	-
Staff welfare expenses	462.70	-
Employee Compensation Expenses	4,430.34	-
	71,606.54	-

*includes Directors remuneration of INR 59.52 Lakhs (P.Y INR 0.00 Lakhs)

23 Finance costs

Particulars	in Thousands	
	31-Mar-23	31-Mar-22
Interest on borrowing	17,376.71	-
Other finance charges	982.94	-
	18,359.65	-

24 Depreciation and amortisation expense

Particulars	in Thousands	
	31-Mar-23	31-Mar-22
Depreciation on property, plant and equipment	2,922.94	-
Amortisation of intangible assets	10,719.16	-
	13,642.10	-

25 Other expenses

Particulars	in Thousands	
	31-Mar-23	31-Mar-22
Electricity charges	573.72	-
Rent	2,056.09	-
Directors sitting fees	60.00	-
Repairs and maintenance	1,225.51	-
Rates and taxes	1,654.21	-
Travelling and conveyance expenses	2,812.16	-
Communication expenses	680.14	-
Payment to auditor*	420.00	100.00
Depository and Exchange expenses	76.87	-
Business Promotion	594.87	-
Insurance	537.11	-
Printing and Stationery	537.33	-
Miscellaneous expenses	320.31	-
Preliminary Expenditure (W/O)	2.10	-
	11,550.41	100.00

*** Payment to auditor**

	in Thousands	
	31-Mar-23	31-Mar-22
As auditor:		
Audit fee [including for Limited review]	320.00	100.00
Tax audit fee	100.00	-
In other capacity:		
Other services	-	-
	420.00	100.00

LN INDUSTRIES INDIA LIMITED

CIN: L18100TG1993PLC015268

Notes to Consolidated financial statements for the year ended 31st March 2023

(All amounts INR in Thousands, except share data and where otherwise stated)

No 26 : Segment Information

The Company is primarily engaged in IT / ITES related services and hence disclosing information as per requirements of Ind AS 108 "Operating Segments" is not applicable.

No 27 : Contingent liability and capital commitments**(a) Contingent liability :**

Particulars	Nature of dues	(In ₹ thousands)	Remarks
Bank Guarantee outstanding as on the balance sheet date	Performance Bank Guarantees	16,371.00	Issued to various customers against orders received

(b) Capital Comotments :

There were no capital commitments during the year

No 28 : Earnings and expenditure in foreign currency (on accrual basis)**Earnings in foreign currency**

Particulars	As at at 31 March 2023	As at at 31 March 2022
Sales	1,30,650.50	-

Expenditure in foreign currency

Particulars	As at at 31 March 2023	As at at 31 March 2022
NIL	-	-

No 29 : Tax Expense

Deferred tax is provided on timing differences at the balance sheet date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

No : 30 Leases

The company has operating lease for office premise, which is renewable on periodical basis and cancelable at its option. Lease expenses on such operating lease recognised in the Profit and Loss account on a straight line basis over the lease term.

No : 31 Provision for Gratuity

(In ₹ thousands)

Particulars	Gratuity	
	As at at 31 March 2023	As at at 31 March 2022
Change in benefit obligations	-	-
PV Obligation as at the start	-	-
Acquisition adjustment	-	-
Interest Cost	-	-
Past-service cost *	4,577.82	-
Current Service cost	1,038.24	-
Curtailement Cost/ (Credit)	-	-
Settlement Cost/(Credit)	-	-
Benefits paid/ due to be paid	-	-
Actuarial(gain)/loss on oblig	-	-
PV Obligation as at the end	5,616.08	-

* 25% of the Past Service Cost has been charged to the Profit & Loss Account in the Financial year 2022-23. Balance of 75% will be charged to Profit & Loss Account in the coming three financial years equally.

Employees are entitled to a benefit equivalent to fifteen days' last drawn salary for each completed year of service in line with the Payment of Gratuity Act, 1972 subject to a maximum of INR 20 Lakhs. The same is payable at the time of separation from the Company or retirement, whichever is earlier. The benefits vest after five years of continuous service. The Company has created the liability as on March 31, 2023 as per the Actuarial Valuation.

No 32 : Auditors Remuneration

(In ₹ Thousands)

Particulars	As at at 31 March 2023	As at at 31 March 2022
Statutory audit fees	420.00	100.00
Other services	-	-
Out of pocket expenses	-	-
Total	420.00	100.00

No 33 Amounts payable to Micro, Small and Medium enterprises

Disclosure under Section 22 of the Micro, Small and Medium enterprises Development Act, 2006 (MSMED)

Based on the information available with the Company, no creditors have been identified as "supplier" within the meaning of "Micro, Small and Medium Enterprises Development (MSMED) Act, 2006".

No 34 : Related Party Disclosures

i) Subsidiary	: IOTIQ Innovations Private Limited
ii) Entities in which directors are interested	1 Varsun Etechnologies Private Limited 2. Albesun India Private Limited 3. Bluenine Infra Technologies Private Limited
iii) Key Managerial Personnel	1. Mr. Ashok Kumar Buddharaju, Chairman and Managing Director 2. Mrs. Rama Buddharaju, Whole Time Director 3. Mrs. Anitha Alokam, Whole Time Director 4. Mr. A. Prabhakara Rao, Chief Financial Officer 5. Mr. P.V. Nagarjuna, Company Secretary
iv) Persons having Substantial Interest in Voting Power	1. Ashok Kumar Buddharaju 2. Mrs. Rama Buddharaju 3. Mrs. Anitha Alokam 4. Mr. Prabhakara Rao. A

B. Non Executive Directors and Independent Directors on the Board of the Company

Name of the personnel	Relationship
NIL	NA

C. Details of transactions with Related Parties*(In ₹ Thousands)*

Name of the Related party	Nature of the Transactions	2022-23		2021-22		
		Balance outstanding as on 31 March 2023		Balance outstanding as on 31 March 2022		
IOTIQ Innovations Private Limited	Opening Balance	9,848.85		-		
	Unsecured loan received	8,659.92		-		
	Unsecured loan returned	-3,651.45		-		
	Interest charged	-		-		
	Other charges	-		-		
	Closing Balances		14,857.33		-	
	Investment in Equity	51.00	51.00	-	-	
<u>Client Transactions</u>						
Bluenine Infra Technologies Pvt Ltd	Opening Balance	6,493.19		-		
	Purchases	-4,90,291.75		-		
	Sales	-		-		
	Payment/Receipt/Set off	4,57,873.23		-		
	Closing Balance (Credit)	-	-25,925.33		-	
	Ashok Kumar Buddharaju	Managerial Remuneration	2,400.00			
	Rama Buddharaju	Managerial Remuneration	2,402.40			
Anitha Alokam	Managerial Remuneration	1,150.00				
Prabhakara Rao. A	Salary	2,277.40				
P.V. Nagarjuna	Salary	604.19				

No 35 Investor Education Protection Fund

There are no outstanding dues to Investor Education Protection Fund as on 31 March 2023.

No 36 Prior year comparatives

ACS Technologies Limited has been merged with the company effective from the financial year 2022-23, hence current year figures includes the ACS figures also. Previous year figures represent the only this company amounts and not included ACS figures.

Previous year figures have been regrouped / reclassified wherever necessary to confirm to the current year classification.

As per our report attached

For Gorantla & Co.

Chartered Accountants

ICAI Firm registration number: 016943S

For and on behalf of the Board of Directors of

LN INDUSTRIES INDIA LIMITED

CIN: L18100TG1993PLC015268

Sri Ranga Gorantla

Designated Partner

Membership No.:222450

UDIN: 23222450BGWYW1253

Ashok Kumar Buddharaju

Chairman & Managing Director

DIN: 03389822

Anitha Alokam

Director

DIN: 07309591

Place: Hyderabad

Date: 30/05/2023

A. Prabhakara Rao

Chief Financial Officer

P.V. Nagarjuna

Company Secretary

M. No.:64793

LN INDUSTRIES INDIA LIMITED

CIN: L18100TG1993PLC015268

Notes to Consolidated financial statements for the year ended 31st March 2023

(All amounts INR in Thousands, except share data and where otherwise stated)

No 37 Fair value measurements

The carrying value of financial instruments by categories is as follows:

(In ₹ Thousands)

Particulars	31-Mar-23			31-Mar-22		
	At Cost	Fair value through profit or loss	At Amortised Cost	At Cost	Fair value through profit or loss	At Amortised Cost
Financial assets						
Trade receivables	-	-	4,61,308.46	-	-	-
Cash and cash equivalents	-	-	2,155.79	-	-	52.30
Bank balance other than cash and cash equivalents	-	-	14,195.21	-	-	5,742.99
Other financials assets	-	-	7,111.58	-	-	3,626.56
Inventories	-	-	1,46,026.06	-	-	-
Total	-	-	6,30,797.09	-	-	9,421.85
Financial liabilities						
Borrowings	-	-	1,12,623.73	-	-	-
Trade payables	-	-	86,055.61	-	-	45,782.81
Other financial liabilities	-	-	8,223.76	-	-	4,598.92
Total	-	-	2,06,903.10	-	-	50,381.73

Fair value hierarchy

The following table provides the fair value measurement hierarchy of the Company's assets and liabilities

(In ₹ Thousands)

Particulars	31-Mar-23				31-Mar-22			
	Carrying amount	Fair value through profit or loss	At Amortised Cost	At Cost	Carrying amount	Fair value through profit or loss	At Amortised Cost	At Cost
Financial assets								
Measured at cost/ amortised cost/fair value through profit and loss								
Trade receivables	4,61,308.46	-	-	-	-	-	-	-
Cash and cash equivalents	2,155.79	-	-	-	52.30	-	-	-
Bank balance other than cash and cash equivalents	14,195.214	-	-	-	5,742.99	-	-	-
Other financials assets	7,111.58	-	-	-	3,626.56	-	-	-
Inventories	1,46,026.06	-	-	-	-	-	-	-
Total	6,30,797.09	-	-	-	9,421.85	-	-	-
Assets for which fair value are disclosed								
Measured at amortised cost								
Borrowings	1,12,623.73	-	-	-	-	-	-	-
Trade payables	86,055.61	-	-	-	45,782.81	-	-	-
Other financial liabilities	8,223.76	-	-	-	4,598.92	-	-	-
	2,06,903.10	-	-	-	50,381.73	-	-	-

Notes:

Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.

Level 2 inputs are inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3 inputs are unobservable inputs for

There have been no transfers between the levels during the period.

Financial instruments carried at amortised cost such as trade receivables, other financial assets, borrowings, trade payables and other financial liabilities are considered to be same as their fair values, due to short term nature.

For financial assets & liabilities that are measured at fair value, the carrying amounts are equal to the fair values.

No 38. Financial risk management objectives and policies

The Company's principal financial liabilities comprise borrowings, trade and other payables. The main purpose of these financial liabilities is to finance and support Company's operations. The Company's principal financial assets include trade and other receivables and cash and cash equivalents and other bank balances that derive directly from its operations.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks. The Company's senior management advises on financial risks and the appropriate financial risk governance framework for the Company. The Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below.

A. Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises two types of risk: interest rate risk and other price risk, such as equity price risk and commodity risk. Financial instruments affected by market risk include loans, borrowings and security deposits.

The Company is not exposed to significant interest rate risk as at the respective reporting dates.

The Company's equity investments are mainly strategic in nature and are generally held on a long term basis. Further, the investments are not exposed to significant price risk.

B. Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its investing activities (short term bank deposits). The Company only deals with parties which has good credit rating / worthiness given by external rating agencies or based on companies internal assessment.

Financial instruments that are subject to concentrations of credit risk principally consist of trade receivables, investments, cash and cash equivalents, bank deposits and other financial assets. None of the financial instruments of the Company result in material concentration of credit risk.

Exposure to credit risk

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk was INR 4,96,331.89 Thousands (March 31, 2022- INR 5,795.30 Thousand) being the total of the carrying amount of Cash and cash equivalents, bank deposits, trade receivables, investments and other financial assets.

Trade receivables

IND AS requires expected credit losses to be measured through a loss allowance. The Company assesses at each date of statements of financial position whether a financial asset or a group of financial assets is impaired. The Company recognises lifetime expected losses for all contract assets and / or all trade receivables that do not constitute a financing transaction. For all other financial assets, expected credit losses are measured at an amount equal to the 12 month expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition.

The Company has used a practical expedient by computing the expected credit loss allowance for trade receivables based on ageing which are receivables for more than six months.

C. Liquidity risk

Liquidity risk refers to the risk that the Company can not meet its financial obligation. The objective of liquidity risk management is to maintain sufficient liquidity and ensured that funds are available for use as per requirements. The Company manages liquidity risk by maintaining adequate reserves, banking facilities and reserves borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

No 39. Capital management

For the purpose of the Company's capital management, capital includes issued equity capital, share premium and all other equity reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to maximise the shareholder value.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Company includes within net debt, interest bearing loans & borrowings, less cash and cash equivalents.

Gearing ratio

The gearing ratio at the end of the reporting period was as follows:

	<i>(In ₹ Thousands)</i>	
	31-Mar-23	31-Mar-22
Borrowings	78,655.29	2,78,085.19
Less: Cash and cash equivalents	16,351.00	5,795.30
Net debt	62,304.29	2,72,289.89
Equity share capital	5,59,419.48	10,16,859.00
Other equity	2,62,093.16	-13,35,904.07
Total capital	8,21,512.64	-3,19,045.07
Capital and net debt	8,83,816.93	-46,755.17
Gearing ratio	7.05%	-582.37%

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current year.

No changes were made in the objectives, policies or processes for managing capital during the years ended March 31, 2023 except as per Hon'ble NCLT Order.

No 40 Standards issued but not effective

There were no standards issued but not effective at the time of issuance of the Company's financial statements, hence the disclosure is not applicable.

No 41 Significant event after the reporting period

There were no significant adjusting event that accrued subsequent to the reporting period which may require an adjustment to the balance sheet.

No 42 Corporate social responsibility (CSR)

As per Section 135 of the Companies Act, 2013, a company does not meeting the applicability threshold, and hence no need to spend on corporate social responsibility (CSR) activities.

No 43. Code of Social Security

The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post-employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified and the final rules/interpretation have not yet been issued. The Company will assess the impact of the Code when it comes into effect and will record any related impact in the period the Code becomes effective.

No 44 Other Statutory Information

1. The Company does not have any Benami property, where any proceeding has been initiated or pending against the company for holding any Benami property under Benami Transactions (Prohibition) Act, 1988 (45 of 1988).
2. The Company does not have any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.
3. The Company does not have any charges or satisfaction yet to be registered with ROC beyond the statutory period.
4. The Company does not have any transactions with Crypto Currency or Virtual Currency where the Company has traded or invested in Crypto Currency or Virtual Currency during the year.
5. The Company has not advanced or loaned or invested funds to any other persons or entities, including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
 - (a) Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
 - (b) Provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
6. The Company has not received any fund from any persons or entities, including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
 - (a) Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries)
 - (b) Provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
7. The Company does not have any transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income-tax Act, 1961.

LN INDUSTRIES INDIA LIMITED

CIN: L18100TG1993PLC015268

Notes to Consolidated financial statements for the year ended 31st March 2023

(All amounts INR in Thousands, except share data and where otherwise stated)

No 45 Earnings Per Share (Basic and Diluted)

Basic EPS amounts are calculated by dividing the profit for the year attributable to equity holders by the weighted average number of Equity shares outstanding during the year.

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders (after adjusting for interest on the convertible debentures) by the weighted average number of Equity shares outstanding during the year plus the weighted average number of Equity shares that would be issued on conversion of all the dilutive potential Equity shares into Equity Shares.

The following table reflects the income and share data used in the basic and diluted EPS computations: (In ₹ Thousands)

Particulars	As at 31 March 2023	As at 31 March 2022
Basic Earning per Share		
Profit / Loss after tax	28,677.94	-100.00
Profit/Loss after tax (excluding extraordinary items)	28,677.94	-100.00
Number Equity Shares at the end of Financial year	5,57,41,948	10,16,85,900
Nominal value of Equity share	10.00	10.00
Earnings per share	0.514	-0.000
Earnings per share (excluding extraordinary items)	0.514	-0.000
Diluted Earning per Share		
Profit / Loss after tax	28,677.94	-100.00
Profit/Loss after tax (excluding extraordinary items)	28,677.94	-100.00
Weighted average number of Equity shares outstanding during the year - N	4,68,21,645	10,16,85,900
Nominal value of Equity share	10.00	10.00
Earnings per share	0.612	-0.000
Earnings per share (excluding extraordinary items)	0.612	-0.000

Reasons for variance

ACS Technologies Limited has been merged with the company effective from financial year 2022-23, hence ACS figures were included in the financial statements of 2022-23. Whereas previous year figures were contains only LN Industries India Limited, hence there was significant variation in the ratios

Formula for computation of ratios are as follows:

Ratio	Numerator	Denominator
Current Ratio	Current Assets	Current Liabilities
Debt-Equity Ratio	Total Debt	Shareholder's Equity
Debt Service Coverage Ratio	Earnings for debt service = Net profit after taxes + Non-cash operating expenses	Debt service = Interest & Lease Payments + Principal Repayments
Return on Equity Ratio	Net Profits after taxes - Preference Dividend	Average Shareholder's Equity
Inventory Turnover Ratio	Cost of goods sold	Average Inventory
Trade receivables Turnover Ratio	Net credit sales = Gross credit sales - sales	Average Trade Receivable
Trade payables Turnover Ratio	Net credit purchases = Gross credit purchases - purchase return	Average Trade Payables
Net Working Capital Turnover Ratio	Net sales = Total sales - sales return	Working capital = Current assets - Current
Net Profit Ratio	Net Profit	Net sales = Total sales - sales return
Return on Capital Employed	Earnings before interest and taxes	Capital Employed = Tangible Net Worth + Total Debt + Deferred Tax Liability
Return on Investment (Assets)	Interest (Finance Income)	Investment

No 47 Prior year comparatives

The figures of the previous year have been regrouped/reclassified, where necessary, to conform with the current year's classification.

No 48 Approval of Financial Statements

The financial statements were approved for issue by the Board of Directors on May 30, 2023.

As per our report attached

For Gorantla & Co.

Chartered Accountants

ICAI Firm registration number: 016943S

For and on behalf of the Board of Directors of

LN Industries India Limited**Sri Ranga Gorantla**

Designated Partner

Membership No.:222450

UDIN: 23222450BGWY1253

Place: Hyderabad

Date: 30/05/2023

Ashok Kumar Buddharaju

Chairman & Managing Director

DIN: 03389822

Anitha Alokam

Director

DIN: 07309591

A. Prabhakara Rao

Chief Financial Officer

P.V. Nagarjuna

Company Secretary

M. No.:64793

Form No. MGT-11**Proxy form**

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

Name of the Member(s):		
Registered Address:		
E-mail Id:	Folio No /Client ID	DP ID
I/We, being the member(s) of _____ shares of the above named company. Hereby appoint		
Name :	E-mail Id:	
Address:		
Signature , or failing him		
Name :	E-mail Id:	
Address:		
Signature , or failing him		
Name :	E-mail Id:	
Address:		
Signature , or failing him		

as my/ our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 30th Annual General Meeting of the company, to be held on the 30th day of September, 2023, at 12:00 p.m. at Pardha Picasa Level 7, Durgam Cheruvu Road, Madhapur Madhapur Shaikpet Hyderabad TG 500081 IN-500081 and at any adjournment thereof in respect of such resolutions as are indicated below

Sl. No.	Resolution(s)	Vote	
		For	Against
1.	To receive, consider and adopt the Audited Balance Sheet as at 31st March 2023, the Profit and Loss Account for the year ended on that date and the Reports of the Directors and Auditors thereon		
2.	To reappoint Mrs. Anitha Alokam (DIN 07309591) as Director, who retires by rotation		
3.	To reappoint Statutory Auditors from the conclusion of this Annual General Meeting until the conclusion of the Sixth consecutive Annual General Meeting and to fix their remuneration		
4.	Appointment of Mr. SRINIVASAN NETI as Independent director for the period of five years from the conclusion of this Annual General Meeting		
5.	Appointment of Mr. CHALAGALLA VENKATA SATYANARAYANA MURTHY as Independent director for the period of five years from the conclusion of this Annual General Meeting		
6.	Regularisation of appointment of Shri.Ashok Kumar Buddharaju as chairman and Managing Director for the period of five years		

* Applicable for investors holding shares in Electronic form.

Signed this 30th Day of September 2023

Signature of Shareholder

Signature of Proxy holder

Signature of the shareholder
across Revenue Stamp

Affix Revenue
Stamps

Note:

1) This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company not less than 48 hours before the commencement of the Meeting.

2) The proxy need not be a member of the company

ATTENDANCE SLIP

(To be handed over at the entrance of the meeting hall)

30th Annual General Meeting on 30th September 2023

Full name of the members attending _____

(In block capitals)

Ledger Folio No./Client ID No. _____ No. of shares held: _____

Name of Proxy _____

(To be filled in, if the proxy attends instead of the member)

I hereby record my presence at the Annual General Meeting of the ACS TECHNOLOGIES LIMITED (Formerly LN Industries India Limited) will be held on 30th Day of September 2023 at 12:00 P.M ardha's Picasa Building, Level, 7, Durgam Cheruvu Rd, Hyderabad, Telangana 500081

(Member's /Proxy's Signature)

Note:

- 1) Members are requested to bring their copies of the Annual Report to the meeting, since further copies will not be available.
- 2) The Proxy, to be effective should be deposited at the Registered Office of the Company not less than Forty Eight Hours before the commencement of the meeting.
- 3) A Proxy need not be a member of the Company.
- 4) In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by Proxy, shall be accepted to the exclusion of the vote of the other joint holders. Seniority shall be determined by the order in which the names stand in the Register of Members.
- 5) The submission by a member of this form of proxy will not preclude such member from attending in person and voting at the meeting.