



M. MADHUSUDHAN REDDY., B.Com, FCA, FAFD, IRP, Regd. Valuer
Insolvency Professional : Reg. No : IBBI/IPA-001/IP-P00843/2017-18/11427
Registered Valuer : Reg. No. IBBI/RV/05/2019/10954
(Reg. Under Insolvency & Bankruptcy Code 2016)

Dt: 6th April 2023

To

BSE Limited
Phiroze Jeejeebhoy Towers
Dalal Street Mumbai – 400 001

BSE Scrip Code: 530745

Dear Sir

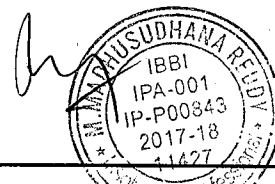
Sub: Submission of salient features of the approved resolution plan under Section 31 of the Insolvency and Bankruptcy Code, 2016, as amended ('IBC') in respect of the Corporate Insolvency Resolution Process of LN Industries India Limited ("Company") - Reg:

Ref: Disclosures pursuant to Regulation 30(2) (Schedule III Part A) of the SEBI (LORD) Regulations, 2015 ("SEBI LODR Regulations").

* * *

With reference to the above Regulations, upon approval of the resolution plan by the Hon'ble Adjudicating Authority, we herewith submit the salient features of the Resolution Plan, as approved by the Adjudicating Authority (NCLT) under the Insolvency Code, pursuant to Regulation 30(2) read with Clauses 16(1) to 16(p) of Part A of Schedule III of the SEBI (LORD) Regulations, 2015.

The Resolution Plan shall be binding on the Corporate Debtor and its respective workmen, employees, members, creditors and guarantors, Governmental Authorities, and other stakeholders involved in the Resolution Plan.



Details of the Resolution Plan and other material information:

1. Constitution of Monitoring Committee/Agency:

The Monitoring Agency ("Monitoring Committee") shall be comprising of Resolution Professional, Financial Creditor, and Resolution Applicant(s). The Monitoring Agent shall be vested with all the power of the Board of Directors as envisaged under the Companies Act, 2013 (amended from time to time)

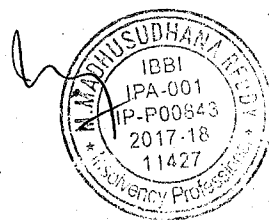
2. Payments proposed to various stakeholders under the Plan:

Pursuant to the Resolution Plan, the settlement of the claims of the Creditors shall be as follows:

Statement pursuant to Regulation 38(1A) of the CIR Regulations- The manner, which Resolution Applicant(s) dealt with the interests of all the stakeholders including financial and operational creditors of the Corporate Debtor:

Category of the Creditor	Claims Admitted (Rs.)	Resolution amount Rs. (Upfront)	Equity allotment	Total Settlement Amount Rs.
CRIP Cost	8,00,000	8,00,000	Nil	8,00,000
Claims of Employees	Nil	Nil	Nil	Nil
Un-Secured Financial Creditor	1,61,12,243	1,61,12,243	Nil	1,61,12,243
Un-Secured Financial Creditor-Related Parties	7,02,36,702	Nil	Nil	Nil
Operational Creditors (Government dues)**	Nil	Nil	Nil	Nil
Operational Creditors & Regulatory Dues	3,79,12,507	27,57,737	Nil	25,57,737
Total Liabilities	12,57,96,452	1,96,69,980	Nil	1,96,69,980

** The Resolution Professional has not admitted the tax demand raised (Rs. 1,69,34,910/-) due to non-submission of their claims before the due date/filing of this Resolution Plan. Since RP has not admitted these dues till the time of filing of this Resolution Plan, the Resolution Applicants have not considered these dues as liabilities of the Company.



3. Capital infusion into the Company and allotment of equity:

As envisaged in the Resolution Plan to deal with the interests of all the stakeholders including financial and operational creditors of the Corporate Debtor an amount upto a maximum of Rs. 2,00,00,000 (Rupees Two Crore only) shall be infused by Resolution Applicant (s) into the Company from their own funds, in consideration of which, the Corporate debtor shall issue to the Mr. Vivek Kumar Ratakonda and to Mr. Ashok Kumar Buddharaju (Resolution Applicants) 20,00,000 (Twenty Lakhs) equity shares of Rs. 10/- (Ten) each ("Resolution Applicants Equity Subscription Amount") in the proportion of their Contribution.

Additional expenditure towards CIRP cost of Rs.15,11,346/- shall be borne by the applicants as per the approved plan in addition to the above.

4. The following restructuring Proposals are envisaged in the Resolution plan for the revival of the Company;

i. The Plan proposes to undertake cancellation and capital reduction of existing equity shareholding, in the following manner:

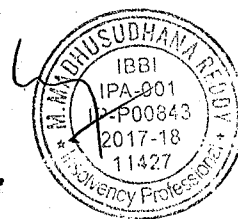
i. Extinguishment of Promoter Shareholding

Cancellation and extinguishment of the entire shareholding of the erstwhile promoters and promoter group of the Company without any payout.

ii. Cancellation of Public Shareholding

Cancellation of the Shareholding of the Public Shareholders other than existing promoters to the extent of 98% of their shareholding as on Record date to be announced by the Company.

In other words, Cancellation, and re-issue of One (1) equity share of Rs. 10/- each for every 50 equity shares of Rs. 10/- each held by the Public Shareholders on the Record date to be announced by the Company.



ii. **Merger of M/s ACS Technologies Limited ("Transferor Company") as part of the Resolution Plan and allotment of equity shares**

A Corporate Restructuring is proposed in the Resolution plan through the merger of M/s ACS Technologies Limited ("Transferor Company") with the M/s. LN Industries India Limited ("Transferee Company") and consequent allotment of shares of the Company to the shareholders of the M/s ACS Technologies Limited ("Transferor Company") as per the terms and conditions as envisaged in the Resolution Plan, and the Scheme of Arrangement forming part of the Resolution plan.

This Scheme of Arrangement ("Scheme") which is part of this Resolution Plan, provides for the merger of M/s ACS Technologies Limited with and into M/s. LN Industries India Limited.

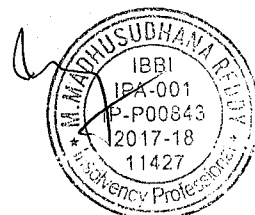
The equity shares issued as aforesaid to the shareholders shall rank pari-passu to the existing shares of the Company and shall be listed forthwith in the stock exchanges where it is presently listed.

iii. **Change of Object clause in the MOA to undertake the new business activity.**

The Resolution Applicant contemplates pursuing Information Technology and allied business activities post-acquisition of the Company pursuant to the orders of the Hon'ble NCLT under IBC.

The IBC Code has defined "resolution plan" as a plan for insolvency resolution of a corporate debtor as a going concern. Regulation 37 of the CIRP Regulations permits the restructuring of the Company operations pursuant to the resolution plan.

Accordingly, the object clause in the Memorandum of Association ('MOA') of the Company shall be altered to pursue the envisaged Information Technology and allied activities. The alteration in the Object Clause of the MOA, as set out in the resolution plan, is to facilitate Company's foray into the Information Technology areas as defined therein.



iv. Change of Name clause in the Memorandum and Articles of Association:

The name of the Company is also proposed to be changed to M/s ACS Technologies Limited ("Transferor Company") to reflect new business activities, subject to the approval of the same by the Registrar of Companies.

v. Preferential allotment to the Strategic Investors:

The Resolution Applicants propose as part of the Resolution Plan to make an allotment of 30,00,000 equity shares of Rs. 10/- each of the Company on a preferential basis to certain identified investors to meet the working Capital requirement of the Company.

These shares rank pari-passu with the existing share capital of the Company and shall be treated as public shareholders for the purpose of maintaining, minimum public shareholding as per the Rule 19A (5) Securities Contracts (Regulation) Rules, 1957.

The money raised by the Company through such preferential allotment shall be utilised for the purpose of Business Expansion and for the revival of the Company.

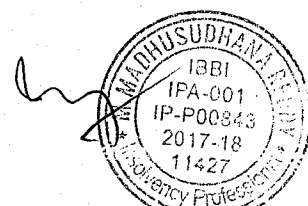
5. Reclassification of Promoters

Upon the credit and listing of the new equity shares issued pursuant to the order and post reduction of the existing equity share capital, the incoming resolution applicant(s) shall be classified as promoters and their shareholding as promoter's shareholding and existing promoters are reclassified as non-promoters of the Company.

This reclassification is according to the Regulation 31A of SEBI LODR Regulations 2015

6. Change in the Board of Directors of the Company:

With effect from the Completion Date, the Resolution Applicant (s) will become the promoters and managerial control shall be transferred to the Resolution Applicant (s) and Board will be reconstituted.



The Resolution Applicant (s) shall nominate individuals to be appointed as directors and KMPs of the Company and shall take over the management and acquire control of the Company after the Completion date.

Specific features of the Resolution Plan as approved by the Adjudicating Authority under the Insolvency Code, not involving commercial secrets:

(i) Pre and Post net-worth of the Company:

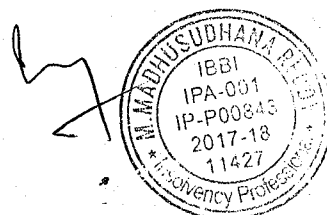
- a. Pre Net worth as on March 31, 2021: Rs.(31,88,45,068).
- b. Proposed fund infusion by Resolution Applicant(s) under the Resolution Plan is Rs.2,00,00,000/-.

(ii) Details of assets of the company post CIRP;

Particulars	As at 31-03-2021 (Provisional and unaudited) Rs.	As at 16-03-2022 (Provisional and unaudited.) Rs.
Assets		
Fixed Assets	84,855	68,732
Other Tangible Assets	469,056	446,776
Other Non-Current Assets	72,594,402	72,594,402
Differed Tax Asset	105,361	105,361
Inventory	-	-
Other Current Assets	18,688,460	18,688,460
Cash and Bank balances	93,711	93,711
Total Assets	92,035,845	91,997,442

(iii) Details of securities continuing to be imposed on the companies' assets;

The security on the Corporate Debtor's assets will be released upon payment to the secured creditors in accordance with the terms of the Resolution Plan.

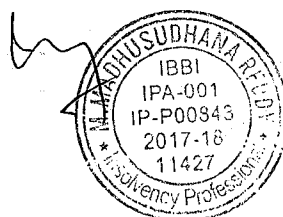


(iv) Other material liabilities imposed on the Corporate Debtor

Other than as stated above, there are no material liabilities imposed on the Corporate Debtor. As part of the Plan, all the past liabilities of the Corporate Debtor shall stand extinguished.

(v) Detailed pre and post shareholding pattern assuming 100% conversion of securities:

S No	Category	No of shares held before CIRP (Rs.10/- each)	Voting Shares (%) before CIRP	No of Shares held after CIRP (Rs.10/- each)	Voting Shares (%) held after CIRP
1	Existing Promotor	1,35,93,209	13.37%	0	0
2	Existing Public Shareholders	8,80,92,691	86.63%	17,61,854	2.90%
3	Resolution Applicant (s)	0	0	20,00,000	3.29%
4	Shares allotted to the Shareholders of ACS Technologies Ltd Consequent to the merger under this Plan i. Promoters holding (49.97%) ii. Public holding (50.03%)	0 0	0 0	2,69,71,294 2,70,08,800	44.40% 44.47%
5	Preferential Allotment to the Strategic Investors (Public Shareholders)	0	0	30,00,000	4.94%
	Total	10,16,85,900	100%	6,07,41,948	100%



(vi) Details of funds infused in the Company, Creditors paid-off

The Resolution Applicant (s) proposes to infuse an amount of Rs.2,00,00,000/- within 30 days from the date of the approval of the resolution plan by the Hon'ble NCLT

The amount to be paid to various classes of creditors as per the approved plan is as below:

Category of the Creditor	Amount (Rs.)
CRIP Cost	8,00,000
Un-Secured Financial Creditor	1,61,12,243
Operational Creditors & Regulatory Dues	27,57,737
Contingencies	3,30,020
Total	2,00,00,000

Additional expenditure towards CIRP cost of Rs.15,11,346/- shall be borne by the applicants as per the approved plan in addition to the above.

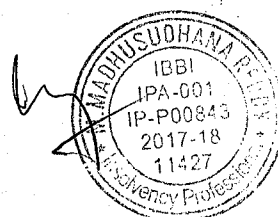
(vii) Additional liability on the incoming investors due to the transaction, source of such funding etc.:

No additional liability will be imposed on the Resolution Applicant(s) due to the transaction. The Resolution Applicant(s) has committed to infuse additional funds for the purpose of improving operations and business of the Corporate Debtor.

(viii) Impact on the Investor- revised P/E, RONW ratios, etc.

No material impact is anticipated on the financials of the Resolution Applicant.

(ix) Names of the new promoters, key managerial person(s), if any and their past experiences in the business or employment. In case where promoters are companies, history of such company and names of natural persons in control.



The following Resolution Applicant(s) will be the new promoters of the Company.

1. Ashok Kumar Buddharaju.
2. Vivek Kumar Ratakonda

Apart from the above promoters of M/s ACS Technologies Ltd ('Transferor Company') will also become the new promoters of the Company.

(x) Brief description of business strategy.

Post-acquisition of the Corporate debtor and amalgamation of M/s ACS Technologies Ltd ('Transferor') into the Company the Resolution Applicant(s) intend to continue the business of the Transferor Company.

Key business verticals currently 'ACS Technologies Ltd' focusing

1. IT Infrastructure Management
2. Security & Surveillance Management
3. Smart Technologies (IoT)
4. Software Solutions

7. IT INFRASTRUCTURE MANAGEMENT

ACS Technologies Ltd is primarily engaged in Information Technology Infrastructure support services. The Company's IT Infrastructure Solutions include turnkey projects involving end-to-end Design & Implementation of Network, Smart Server Solutions, Storage Solutions, Security, and Infrastructure. The Company provides end to end solutions in above 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 etc.

8. SECURITY & SURVEILLANCE SOLUTIONS

ACS Technologies Ltd has built up extensive expertise in IT Infrastructure development involving Smart Security and Surveillance areas. The Company manages multi-vendor and multi-system based services in Electronic Security, Dynamic Security concentrating on providing state-of-the-art services for the Design, Installation, Commissioning, and management of the systems in the Security and



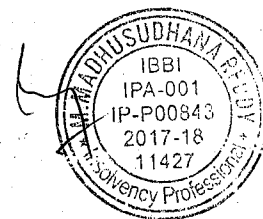
Surveillance segment. The systems include Closed Circuit Televisions (CCTV), Access Control, Fire Detection and Alarm, Perimeter Protection & Intruder Detection, Metal Detectors, X-Ray Machines, Boom Barriers, Tyre Shredders, Bollards, Road Blockers, etc. Advancements in the field of IP based security systems and analytics is set to change the security and safety landscape.

9. SMART TECHNOLOGIES

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.

The Company has over 16 IoT Systems currently integrated with Athena which include 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 Agri Tech
Smart Healthcare
Smart Learning
Smart Campus
Smart Energy Mgmt.

10. SOFTWARE SOLUTIONS

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

Key Offerings:

Below are the Software products developed in-house and IPR owned by the Company:

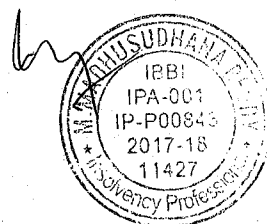
- IQMS – Intelligent Queue Management System
- Document Management System (DMS)
- Content Management solutions
- Learning Management System
- Fleet Management
- Customer Relationship Management

11. Any other material information not involving commercial secrets – None

12. Proposed steps to be taken by the incoming investor/acquirer for achieving the MPS

Minimum Public Shareholding (MPS)

The public shareholding post reduction of capital and preferential allotment and allotment consequent to the Scheme of Arrangement are as follows:



S No	Category	No of Shares held after CIRP (Rs.10/- each)	Voting Shares (%) held after CIRP
1	Existing Public Shareholders-Post reduction	17,61,854	2.90%
2	Shares allotted to the Public shareholders of ACS Technologies Ltd, consequent to the merger under this Plan- Public holding (50.03%)	2,70,08,800	44.47%
3	Preferential Allotment to the Identified strategic Investors (Public Shareholders)	30,00,000	4.94%
	Total	3,17,70,654	52.31%

The Company is adhering to the rule of 19A (5) **Securities Contracts (Regulation) Rules, 1957** by maintaining a public shareholding of 52.31% of the expanded equity as a result of the implementation of the resolution plan and as per the terms and conditions as approved under 31 of the Insolvency and Bankruptcy Code, 2016'.

13. The details as to the delisting plans, if any approved in the resolution plan

The Resolution Applicants have proposed the continuation of listing on the Bombay Stock Exchange (BSE), pursuant to the resolution plan being approved under the Code.

This is for your information and records.

Yours faithfully,

For LN Industries India Ltd

Malinga Madhusudhana Reddy
Monitoring Agent

