



MARK
CORPORATE ADVISORS

March 29, 2022

MCAPL: MUM: 2021-22: 0207

To

The Listing Department
BSE Limited
Phiroze Jeejeebhoy Towers
Dalal Street
Mumbai-400 001.

Dear Sir/Madam,

Sub : Submission of Detailed Public Statement (“DPS”)

Ref : Open Offer to the Public Shareholders of Mudunuru Limited (“Mudunuru”/“Target Company”)

In furtherance to our earlier letter dated March 22, 2022, we hereby inform you that the Detailed Public Statement (“DPS”) has been published today i.e. March 29, 2022 (Tuesday) as envisaged.

As required under Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 and amendments thereto, the DPS has been published in the following newspapers:

Sr. No.	Newspapers	Language	Editions
1)	Business Standard	English	All Editions
2)	Business Standard	Hindi	All Editions
3)	Navshakti	Marathi	Mumbai Edition
4)	Prajasakti	Telugu	Visakhapatnam Edition

We are enclosing herewith a soft copy of a newspaper clipping of the DPS published in Business Standard (English) for your kind perusal.

A copy of the same is being submitted to Securities and Exchange Board of India, Mumbai (“SEBI”) and a soft copy is being simultaneously filed through email to The Calcutta Stock Exchange of India Limited, Kolkata (“CSE”) and the Target Company. A copy of the DPS is also being dispatch to CSE and the Registered Office of the Target Company.

Kindly take the above information on your record and disseminate the DPS on the website of BSE.

For Mark Corporate Advisors Private Limited



Manish Gaur
Asst. Vice President

Encl: As Above.

MARK CORPORATE ADVISORS PVT. LTD.

DETAILED PUBLIC STATEMENT UNDER REGULATIONS 13 (4) AND 15 (2) OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (SUBSTANTIAL ACQUISITION OF SHARES AND TAKEOVERS) REGULATIONS, 2011 AS AMENDED, FOR THE ATTENTION OF THE PUBLIC SHAREHOLDERS OF

MUDUNURU LIMITED

(CIN:L72900AP1994PLC039248)

Registered Office: D. No. 9-29-19, Waltair Heights, Level 3, Balaji Nagar, Visakhapatnam-530 003. Andhra Pradesh.

Contact No.: +91 99072 47247 | Email ID: info@mudunuru.com | Website: www.mudunuru.com

Open Offer for acquisition of upto 82,02,000 fully paid-up Equity Shares of face value of ₹2 (Rupees Two only) each representing 26.00% of the Emerging Voting Capital of Mudunuru Limited ("Mudunuru"/"Target Company") at a price of ₹2 (Rupees Two only) per Equity Share from the Eligible Shareholders (as defined below) in terms of Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 and subsequent amendments thereto ("SEBI (SAST) Regulations, 2011") by Mr. Madhusudan Raju Mudunuru ("Acquirer").

This Detailed Public Statement ("DPS") is being issued by Mark Corporate Advisors Private Limited, the Manager to the Offer ("Manager") for and on behalf of the Acquirer, to the Public Shareholders of the Target Company, pursuant to and in compliance with Regulations 3(1) and 4 read with Regulations 13(4), 14(3), and 15(2) and other applicable regulations of SEBI (SAST) Regulations, 2011 pursuant to the Public Announcement ("PA") filed with Securities and Exchange Board of India ("SEBI"), BSE Limited ("BSE"), The Calcutta Stock Exchange Limited ("CSE") and the Target Company on March 22, 2022 (Tuesday) through e-mail and submitted hard copy of the Public Announcement with SEBI on March 23, 2022 (Wednesday).

For the purposes of this Public Announcement, the following terms shall have the meanings assigned to them below:

- (i) "Eligible Shareholders" shall mean all the equity shareholders of the Target Company excluding:
- (a) the promoters and members of the promoter group of the Target Company;
 - (b) the Acquirer, any persons deemed to be acting in concert with the Acquirer;
 - (c) the parties to the Share Sale/Purchase Agreement ("SPA"), and;
 - (d) the parties to the Share Sale/Purchase Confirmation ("SSPC").
- (ii) "Emerging Voting Capital" shall mean 3,15,42,500 equity shares of ₹2 (Rupees Two only) each of the Target Company being the paid-up equity share capital after the allotment of 76,15,000 Equity Shares on the Preferential Allotment basis.
- (iii) "Preferential Allotment" shall mean issue and allotment of 76,15,000 equity shares of face value of ₹2 (Rupees Two only) each at a price of ₹2 (Rupees Two only) each representing 24.14% of the Emerging Voting Capital of the Target Company.

A. ACQUIRER, SELLERS, TARGET COMPANY AND OFFER:

I. Information about the Acquirer:

1. Mr. Madhusudan Raju Mudunuru ("Acquirer")

1) Mr. Madhusudan Raju Mudunuru, s/o Sri Jaggaraju Mudunuru, aged about 47 years, is presently residing at OR09, Shriram Panorama Hills, Yenadla, Visakhapatnam-530045, Andhra Pradesh. Contact No.: +91 95333 22222. Email ID: msrajums@gmail.com. His Permanent Account Number under Indian Income Tax Act is AJSMP 4383 M. He holds a degree in Master of Science (M.S.) in Software Engineering from the Birla Institute of Technology & Science, Pilani. He has over two decades of experience in various software domains in the field of IT.

2) The Acquirer is not part of any group.

3) The Net worth of Acquirer is ₹1092.96 Lakhs as on March 22, 2022 as certified vide certificate dated March 22, 2022 issued by CA Pavan Kumar Kedariseti (Membership No. 258290), Proprietor, M/s K Pavan & Associates, Chartered Accountants (FRN: 023549S), having office at Flat No 502, Level-4, Surya Vilas, Balaji Nagar, VIP Road, Siripuram, Visakhapatnam-530 003, Contact No.: +91 90009 52010, Email-ID: capavankumark@gmail.com.

4) As on date, the Acquirer is not having any relationship with/interest in the Target Company. However, the Acquirer holds 3,54,685 Equity Share representing 1.12% of Emerging Voting Capital of the Target Company. Further, the Acquirer has entered into a Share Purchase Agreement ("SPA") on March 22, 2022 to acquire 59,46,060 Equity Shares representing 18.85% of the Emerging Voting Capital of the Target Company from the Promoter/Promoter Group of the Target Company. Additionally, the Acquirer has also applied for 5,00,000 Equity Shares representing 1.59% of the Emerging Voting Capital of the Target Company in the Preferential Issue of the Target Company. Apart from the above, he has also entered into Share Sale/Purchase Confirmation ("SSPC") on the same date from the non-promoter shareholders of the Target Company to acquire 21,19,110 Equity Shares representing 6.72% of Emerging Voting Capital of the Target Company, thus aggregating to 89,19,855 equity shares representing 28.28% of the Emerging Voting Capital of the Target Company. As on date, neither the Acquirer nor any of his representatives are on the Board of the Target Company.

5) Neither the Acquirer nor any of the entities with whom he is associated, are in Securities related business and registered with SEBI as a Market Intermediary.

6) The Acquirer has not been prohibited by SEBI from dealing in securities, in terms of directions issued under section 11B of the SEBI Act, 1992, as amended or any other Regulations made under the SEBI Act.

7) Based on the information available, the Acquirer is not in the list of 'wilful defaulters' issued by any bank, financial institution, or consortium thereof in accordance with guidelines on wilful defaulters issued by RBI and are in compliance with Regulation 6A of SEBI (SAST) Regulations, 2011.

8) Based on the information available, the Acquirer has not been declared as a fugitive economic offender under Section 12 of Fugitive Economic Offenders Act, 2018 (17 of 2018) and are in compliance with Regulation 6B of SEBI (SAST) Regulations, 2011.

9) There are no Persons Acting in Concert in relation to the Offer within the meaning of Regulation 2(1)(q)(1) of the SEBI (SAST) Regulations, 2011.

B. Information about the Promoter Sellers and Sellers:

1) Pursuant to the Share Purchase Agreement ("SPA") entered into between Acquirer and the Promoters/ members of the Promoter Group on March 22, 2022, the Acquirer has agreed to acquire 59,46,060 Equity Shares representing 18.85% of the Emerging Voting Capital of face value of ₹2 (Rupees Two only) each at a price of ₹1 (Rupee One only) per equity share from the following Shareholders of the Target Company (hereinafter collectively referred to as "Promoter Sellers")

Sr. No.	Name, PAN & Address	Part of Promoter Group (Yes/No)	Details of Shares/VRs held by the Promoter Sellers			
			Pre Transaction	Post Transaction	No of Shares	% vis a vis Emerging Voting Capital
1	Mr. B V S Krishna Raju ("Promoter Seller 1") PAN: AGCPB 8355 K Address: Plot No. 924, Flat No. 101, Jashuva Apartment, Defence Colony, Near 5 th Avenue Bakery, Sainikpuri, Malkajgiri, Hyderabad, Andhra Pradesh-500 094	Yes	26,32,560	8.35%	Nil	N.A.
2	Mr. Uday Bhaskar Penumajji ("Promoter Seller 2") PAN: AKSPB 7865 N Address: Flat No. 501, 5 th Floor, Sri Prasahanti Apartment, Bhindra Nagar Road, P M Palem, Visakhapatnam (Rural), Andhra Pradesh-530 041	Yes	33,13,500	10.50%	Nil	N.A.
Total			59,46,060	18.85%	Nil	N.A.

The Acquirer has paid an entire amount of ₹59,46,060, being 100% of the total Purchase Consideration to the Promoter Sellers on execution of the SPA. The Acquirer intend to nominate himself for appoint a representative on the Board of the Target Company and also takeover the management of the Target Company in compliance with SEBI (SAST) Regulations, 2011.

The above mentioned Equity Shares are lying in the Demat Account of the Promoter Sellers, which may be transferred to the respective demat account of Acquirer on or after thirty days from the date of DPS.

2) Pursuant to the Share Sale/Purchase Confirmation ("SSPC") entered into between the Acquirer and the Public Shareholders on March 22, 2022, the Acquirer has agreed to acquire 21,19,110 Equity Shares representing 6.72% of the Emerging Voting Capital of the Target Company of face value of ₹2 (Rupees Two only) at a price of ₹1 (Rupee One only) per equity share from the following Shareholders of the Target Company (hereinafter collectively referred to as "Sellers"):

Sr. No.	Name, PAN & Address	Part of Promoter Group (Yes/No)	Details of Shares/VRs held by the Sellers			
			Pre Transaction	Post Transaction	No of Shares	% vis a vis Emerging Voting Capital
1	Mr. Sanyasi Raju Namburu ("Seller 1") PAN: AEMPN 7980 A Address: 2-7/2, Plot No. 71, Ravi Enclave, Near Hanuman Temple, Kondapur, Serilingampally, Rangareddi, Andhra Pradesh-500 084	No	3,69,110	1.17%	Nil	N.A.
2	Ms. Satyavathi Namburu ("Seller 2") PAN: AJJPN 2291 B Address: 2-712, Puritipenta, Gajapathi nagaram Mandalam, Vizianagaram, Andhra Pradesh-535 270	No	9,56,250	3.03%	Nil	N.A.
3	Ms. Atchutamba Namburi ("Seller 3") PAN: AUDPA 3864 D Address: 2-7/2, Plot No. 71, Ravi Enclave, Near Hanuman Temple, Kondapur, Serilingampally, Rangareddi, Andhra Pradesh-500 084	No	7,93,750	2.52%	Nil	N.A.
Total			21,19,110	6.72%	Nil	N.A.

The Acquirer has paid an entire amount of ₹21,19,110 to the Sellers on execution of SSPC. The above mentioned Equity Shares are lying in the Demat Account of the Sellers, which may be transferred to the respective demat account of Acquirer on or after thirty days from the date of DPS.

3) The Sellers are not the members of the Promoters/Promoter Group of the Target Company.

4) The above mentioned Promoter Sellers and Sellers have not been prohibited by SEBI from dealing in securities, in terms of directions issued under Section 11B of the SEBI Act, 1992, as amended or under any other Regulations made under the SEBI Act, 1992.

C. Information about the Target Company-Mudunuru Limited (hereinafter referred to as "Mudunuru"/"Target Company"):

1) The Target Company, bearing CIN L72900AP1994PLC039248 was incorporated on February 15, 1994 in the name of 'Zen Yarns Limited' in the State of Gujarat pursuant to the provisions of the Companies Act, 1956. The name was changed to 'Mudunuru Limited' and a Fresh Certificate of Incorporation consequent upon Change of Name was issued by the Registrar of Companies, Hyderabad, on October 09, 2015. There has been no change in the name of the Company during the last three years.

2) The Registered Office is currently situated at D. No. 9-29-19, Waltair Heights, Level 3, Balaji Nagar, Visakhapatnam-530 003. Andhra Pradesh.

3) The Target Company is a provider of e-commerce software development services.

4) The Authorized Share Capital of the Target Company is ₹9,00,00,000 (Rupees Nine Crores only) comprising of 4,50,00,000 (Four Crores Fifty Lakhs only) Equity Shares of face value of ₹2 each. The Paid-Up Equity Share Capital of the Target Company is ₹4,78,55,000 (Four Crores Seventy Eight Lakhs Fifty Five thousand only) comprising of 2,39,27,500 (Two Crores Thirty Nine Lakhs Twenty Seven Thousandand Five Hundred Only) Equity Shares of face value of ₹2 each fully paid up.

5) The Equity Shares of the Target Company are listed on BSE Limited, Mumbai ("BSE") having a scrip code as 538743 and The Calcutta Stock Exchange Limited, Kolkata ("CSE") having Scrip code as 036008 (hereinafter collectively referred to as "Stock Exchanges"). The Equity Shares of the Target Company are infrequently traded within the meaning of explanation provided in Regulation 2(i) of the Regulations. The ISIN of the Target Company is INE491C01027.

6) As on date, the Target Company is fully compliant with the listing requirements. Further, there has not been any penal/punitive action taken by the Stock Exchanges.

7) The key financial information of the Target Company is based on the Certified Un-Audited Financial Statements for the period ended December 31, 2021 and Audited Financial Statements for Fiscal Year ended March 31, 2021, March 31, 2020 and March 31, 2019 and the same are as follows:

(Amount in Lakhs, except EPS)

Particulars	Period ended December 31, 2021		FY 2020-2021		FY 2019-2020		FY 2018-2019	
	Un-Audited	Audited	Audited	Audited	Audited	Audited	Audited	Audited
Total Revenue	90.89	409.28	412.89	867.92				
Profit/(Loss) for the year/period	(191.24)	7.48	(621.76)	3.46				
EPS (per share)	(0.80)	0.03	(2.60)	0.01				
Net Worth/Shareholders' Fund	(5.89)	185.35	177.67	799.63				

8) The Board of Directors of the Target Company consists of Mr. Uday Bhaskar Penumajji, Whole Time Director (DIN: 02773570), T. Kiran, Executive Director (DIN: 00472025), Mr. Rahul Raghunandan Chowdarapu, Independent Director (DIN: 05170234) and Mr. Raghu Ratul Chowdarapu, Independent Director (DIN: 05170211).

9) The Compliance Officer of the Target Company is Mr. Pankaj Tulsyani.

D. Details of the Offer:

1) The Acquirer is giving this Open Offer to acquire upto 82,02,000 Equity Shares of ₹2 each, representing 26.00% of the Emerging Voting Capital of the Target Company at a price of ₹2 (Rupees Two only) per Equity Share ("Offer Price") aggregating to ₹1,64,04,000 (Rupees One Crore Sixty Four Lakhs Four Thousand only), payable in cash, subject to the terms and conditions set out in the Public Announcement ("PA"), this Detailed Public Statement ("DPS") and the Letter of Offer ("LOF"), which will be sent to the Public Shareholders of the Target Company.

2) All owners of the equity shares of the Target Company registered or unregistered except the Acquirer, Promoter Sellers and Sellers are eligible to participate in the Offer in terms of Regulation 7(6) of SEBI (SAST) Regulations, 2011.

3) As on date, there are no other statutory approvals required to acquire the equity shares tendered pursuant to this Offer. If any other statutory approvals are required or become applicable at a later date before the completion of the Offer, the Offer would be subject to the receipt of such other statutory approvals. The Acquirer will not proceed with the Offer in the event such statutory approvals are refused in terms of Regulation 23 of SEBI (SAST) Regulations, 2011.

4) This Offer is not conditional upon any minimum level of acceptance by the Equity Shareholders of the Target Company in terms of Regulation 19(1) of SEBI (SAST) Regulations, 2011.

5) This is not a compelling offer in terms of Regulation 20 of SEBI (SAST) Regulations, 2011.

6) The Equity Shares of the Target Company which will be acquired by the Acquirer are fully paid up, free from all liens, charges and encumbrances and together with the rights attached thereto, including all rights to dividend, bonus and rights offer declared thereof.

7) As on date, there are no instruments pending for conversion into Equity Shares.

8) The Manager to the Offer viz., Mark Corporate Advisors Private Limited does not hold any Equity Shares in the Target Company as on the date of appointment to act as Manager to the Offer. They declare and undertake that they shall not deal in the Equity Shares of the Target Company during the period commencing from the date of their appointment as Manager to the Offer till the expiry of 15 days from the date on which the payment of consideration to the shareholders who have accepted the Offer is made, or the date on which the Offer is withdrawn as the case may be.

9) The Acquirer does not have any plans to alienate any significant assets of the Target Company whether by way of sale, lease, encumbrance or otherwise for a period of two (2) years except in the ordinary course of business. The Target Company's future policy for disposal of its assets, if any, within two (2) years from the completion of Offer will be decided by its Board of Directors, subject to the applicable provisions of the law and subject to the approval of the shareholders through Special Resolution passed by way of postal ballot in terms of Regulation 25(2) of the Regulations.

10) As per Regulation 38 of SEBI (LODR) Regulations read with Rule 19A of the Securities Contract (Regulation) Rules, 1957, as amended ("SCRR"), the Target Company is required to maintain at least 25% Public Shareholding, on continuous basis for listing. Pursuant to completion of this Offer, assuming full acceptance, the Public Shareholding in the Target Company will not fall below the minimum public shareholding requirement as per SCRR as amended and the SEBI (LODR) Regulations, 2015.

II. BACKGROUND TO THE OFFER

1) The Acquirer has entered into a Share Purchase Agreement ("SPA") on March 22, 2022 with the existing Promoters/members of the Promoter Group (hereinafter collectively referred to as "Promoter Sellers") of the Target Company to acquire the equity shares held by them i.e. 59,46,060 Equity Shares of face value of ₹2 each representing 18.85% of the Emerging Voting Capital of the Target Company at a price of ₹1 (Rupee One only) each, aggregating to a sum of ₹59,46,060 (Rupees Fifty Nine Lakhs Forty Six Thousand Sixty only) payable in cash.

2) The Acquirer has entered into a Share Sale/Purchase Confirmation ("SSPC") on March 22, 2022 with the existing members of the Non-Promoter Group ("Sellers") of the Target Company to acquire the equity shares held by them i.e. 21,19,110 Equity Shares of face value of ₹2 each representing 6.72% of the Emerging Voting Capital of the Target Company at a price of ₹1 (Rupee One only) each, aggregating to a sum of ₹21,19,110 (Rupees Twenty One Lakhs Nineteen Thousands One Hundred and Ten only) payable in cash.

3) On March 22, 2022, the Board of Directors of the Target Company approved a Preferential Allotment of 76,15,000 equity shares of face value of ₹2 each at a price of ₹2 per Equity Share representing 24.14% of the Emerging Voting Capital of the Target Company. Out of which, 5,00,000 equity shares representing 1.59% of the Emerging Voting Capital of the Target Company are proposed to be allotted to the Acquirer and 71,15,000 equity shares representing 22.56% of the Emerging Voting Capital of the Target Company are proposed to be allotted to non-promoter shareholders subject to the approval of the shareholders of the Target Company and other statutory/regulatory approvals.

4) Pursuant to SPA, SSPC and the shares to be allotted to the Acquirer in the Preference Issue, the Acquirer is making an Offer in terms of Regulations 3(1) and 4 of the SEBI (SAST) Regulations, 2011 to acquire upto 82,02,000 Equity Shares of face value of ₹2 each, representing 26.00% of Emerging Voting Capital of the Target Company ("Offer Size") at a price of ₹2 (Rupees Two only) per Equity Share ("Offer Price"), payable in cash, subject to the terms and conditions set out in the Public Announcement, this Detailed Public Statement and the Letter of Offer that will be sent to the Public Shareholders of the Target Company.

5) The Offer Price is payable in cash, in accordance with Regulation 9(1) of SEBI (SAST) Regulations, 2011. At present, the Acquirer do not have any plans to make major changes to the existing line of business of the Target Company except in the ordinary course of business. The Acquirer may diversify into new businesses with the prior approval of the Shareholders. The Acquirer may reorganize the present Capital structure of the Company and also further strengthen the Board.

6) The Object of the acquisition is substantial acquisition of Shares/Voting Rights and take control over the Management of the Target Company.

III. SHAREHOLDING AND ACQUISITION DETAILS

The current and proposed Equity Shareholding of the Acquirer in the Target Company and the details of their acquisitions are as follows:

Particulars	No. of Shares	% of Emerging Voting Capital
Shareholding as on PA date	3,54,685	1.12%
Shares agreed to be acquired through SPA	59,46,060	18.85%
Shares agreed to be acquired through SSPC	21,19,110	6.72%
Shares agreed to be acquired through Preferential Issue	5,00,000	1.59%
Shares acquired between PA date and the DPS date	Nil	N.A.
Shares proposed to be acquired in the Offer (assuming full acceptance)	82,02,000	26.00%
Post Offer shareholding as on 10th working day after closing of Tendering Period	1,71,21,855	54.28%

IV. OFFER PRICE

1) The Equity Shares of the Target Company are presently listed on BSE Limited, Mumbai ("BSE") having Scrip Code as 538743 and The Calcutta Stock Exchange Limited, Kolkata ("CSE") having Scrip code as 036008.

2) The annualized trading turnover of the Equity Shares of the Target Company during Twelve (12) calendar months preceding the month of PA (March 2021 to February 2022) on the Stock Exchange on which the Equity Shares of the Target Company are listed is given below:

Name of the Stock Exchange	Total Number of shares traded during the preceding 12 calendar months prior to the month of PA	Total No. of Equity Shares listed	Annualized trading turnover (as % of total number of listed shares)
BSE Limited	44,571	2,39,27,500	0.19%
The Calcutta Stock Exchange Limited	Not Traded	2,39,27,500	Not Applicable

(Source: www.bseindia.com and www.cse-india.com)

3) Based on the above, the Equity Shares of the Target Company are infrequently traded during twelve (12) calendar months preceding the calendar month in which PA is made within the meaning of explanation provided in Regulation 2(i) of the SEBI (SAST) Regulations, 2011.

4) The Offer Price of ₹2 (Rupees Two only) is justified in terms of Regulation 8(2) of the Regulations on the basis of the following:

Sr. No.	Particular	Amount (in ₹)
a	Negotiated Price as per Share Purchase Agreement	₹1.00
b	Negotiated Price as per Share Sale/Purchase Confirmation	₹1.00
c	Allotment in the Preferential Issue	₹2.00
d	The volume-weighted average price paid or payable per Equity Share for acquisition by the Acquirer, during 52 weeks immediately preceding the date of Public Announcement	Not Applicable
e	The highest price paid or payable for any acquisition by the Acquirer, during 26 weeks immediately preceding the date of the Public Announcement	₹1.00
f	The volume-weighted average market price of Equity shares of the Target Company for a period of sixty (60) trading days immediately preceding the date of PA as traded on BSE, being the Stock Exchange where the maximum volume of trading in the shares of the Target Company are recorded during such period	Not Applicable
g	Where the shares are not frequently traded, the price determined by the Valuer taking into account Valuation Parameters per Equity Share including Book Value, Comparable Trading Multiples and such other parameters as are customary for Valuation of Equity Shares	₹1.71
h	Other Financial Parameters as at:	December 31, 2021 (Un-Audited)
(i)	Return on Net worth (%)	Negative
(ii)	Book Value Per Share (₹)	Negative
(iii)	Earnings Per Share (₹)	Negative

5) The fair value of per Equity Share of the Target Company is ₹1.71 (Rupees One and Paise Seventy One only) as certified by the Valuer vide Valuation Report dated March 22, 2022 issued by CA Nikunj Kanodia (Membership No. 069995) (Registration Number: IBB/RV/01/2020/13470) having office at 510, Dilkap Chambers, Plot-A/7, Veera Desai Road, Andheri (West), Mumbai-400 053. Tel. No.: +91 22 4972 9990/1/2. Email ID: advisors@corpwis.com. Further, the Valuer has given guidance on control premium ranging from 15% to 20% over and above the fair value determined by him and accordingly the committee of Independent Directors has recommended the Preferential Issue price of ₹2 per equity share as fair and reasonable.

6) In view of the parameters considered and presented above and in the opinion of the Acquirer and Manager to the Offer, the Offer Price of ₹2 (Rupees Two only) per Equity Share is justified in terms of Regulation 8 (2) of the SEBI (SAST) Regulations, 2011.

7) There have been no corporate actions in the Target Company warranting adjustment of relevant price parameters.

8) As on date, there is no revision in the Offer Price or Offer Size. In case of any revision in the Offer Price or Offer Size, the Acquirer shall comply with regulation 18 of the Regulations and all the provisions of the Regulations which are required to be fulfilled for the said revision in the Offer Price or Offer Size.

9) If the Acquirer acquires or agrees to acquire any Equity Shares or Voting Rights in the Target Company during the offer period, whether by subscription or purchase, at a price higher than the Offer Price, the Offer Price shall stand revised to the highest price paid or payable for any such acquisition in terms of Regulation 8(8) of Regulations. Provided that no such acquisition shall be made after the third working day prior to the commencement of the tendering period and until the expiry of the tendering period. Further, in accordance with Regulations 18(4) and 18(5) of the Regulations, in case of an upward revision to the Offer Price or to the Offer Size, if any, on account of competing offers or otherwise, the Acquirer shall (i) make public announcement in the same newspapers in which this DPS has been published; and (ii) simultaneously notify to SEBI, BSE and the Target Company at its Registered Office. Such revision would be done in compliance with other formalities prescribed under the Regulations.

10) If the Acquirer acquires Equity Shares of the Target Company during the period of twenty-six weeks after the tendering period at a price higher than the Offer Price, the Acquirer shall pay the difference between the highest acquisition price and the Offer Price, to all shareholders whose shares have been accepted in the Offer within sixty days from the date of such acquisition. However, no such difference shall be paid in the event that such acquisition is made under another Open Offer under Regulations, or pursuant to SEBI (Delisting of Equity Shares) Regulations, 2009, or open market purchases made in the ordinary course on the Stock Exchange, not being negotiated acquisition of shares of the Target Company in any form.

11) If there is any revision in the offer price on account of future purchases/competing offers, or any other ground it will be done only up to the period prior to three (3) working days before the date of commencement of the Tendering Period and would be notified to the shareholders.

V. FINANCIAL ARRANGEMENTS

1) The total funds required for the implementation of the Offer (assuming full acceptance), i.e., for the acquisition of 82,02,000 fully paid up Equity Shares of Face Value ₹2 each at a price of ₹2 (Rupees Two only) per Equity Share is ₹1,64,04,000 (Rupees One Crore Sixty Four Lakhs and Four Thousand only) ("Maximum Consideration").

2) In accordance with Regulation 17(4) of SEBI (SAST) Regulations, 2011, the Acquirer has opened a Cash Escrow Account under the name and style of "MUUDUNURU LIMITED-OPEN OFFER-ESCROW ACCOUNT" ("Escrow Account") with IndusInd Bank Limited ("Escrow Banker") bearing account number 201016885926 and deposited an amount of ₹1,64,04,000 (Rupees One Crore Sixty Four Lakhs and Four Thousand only), in cash, being 100.00% of the Maximum Consideration. The Acquirer has authorized the Manager to the Offer to operate and realize the value of the Escrow Account in terms of the Regulations. The cash deposited in the Escrow Account has been confirmed by the Escrow Banker vide Certificate dated March 25, 2022.

3) The Acquirer has adequate financial resources and has made firm financial arrangements for implementation of the Offer. In terms of Regulation 25(1) of the SEBI (SAST) Regulations, 2011. The Open Offer obligation shall be met by the Acquirer through his own resources and no borrowings from any bank and/or financial institution are envisaged. CA Pavan Kumar Kedariseti (Membership No. 258290), Proprietor, M/s. K Pavan & Associates, Chartered Accountants (FRN: 023549S), having office at Flat No 502, Level-4, Surya Vilas, Balaji Nagar, VIP Road, Siripuram, Visakhapatnam-530 003, Contact No.: +91 90009 52010, Email: capavankumark@gmail.com has certified vide certificate dated March 22, 2022 that sufficient resources are available with the Acquirer for fulfilling the obligations under this Offer in full.

4) Based on the above, the Manager to the Offer is satisfied that the firm arrangements have been put in place by the Acquirer to implement the offer in full in accordance with the Regulations.

5) In case of upward revision of the Offer Price and/or the Offer Size, the Acquirer shall deposit additional appropriate amount into an Escrow Account to ensure compliance with Regulation 18 (5) of the SEBI (SAST) Regulations,