Public Announcement under Regulations 3, 4 and 5(1) read with Regulations 13(2)(e) and 15(1) of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended (the "SEBI (SAST) Regulations")

FOR THE ATTENTION OF THE PUBLIC SHAREHOLDERS OF GMM PFAUDLER LIMITED

Open offer ("Offer") for acquisition of up to 3,654,375 fully paid-up equity shares of face value of INR 2 (Indian Rupees Two) each, representing 25% (twenty five percent) of the total share capital of GMM Pfaudler Limited ("Target Company") by Pfaudler US Inc ("Acquirer") along with Pfaudler Holding S.à r.l., in its capacity as the person/s acting in concert with the Acquirer ("PAC"). Save and except for the PAC and as mentioned in point no. 2 below, no other person is acting in concert with the Acquirer for the purpose of this Offer.

This public announcement ("**Public Announcement**") is being issued by ICICI Securities Limited (the "**Manager to the Offer**") for and on behalf of the Acquirer and the PAC, to the Public Shareholders (as defined below) of the Target Company pursuant to and in compliance with Regulations 3, 4 and 5(1), and other applicable regulations of the SEBI (SAST) Regulations.

For the purpose of this Public Announcement, "Public Shareholders" shall mean all the public shareholders of the Target Company excluding (i) the shareholders forming a part of the promoter / promoter group of the Target Company and (ii) the persons acting in concert or deemed to be acting in concert with the Acquirer.

1. <u>Offer Details</u>

1.1 **Offer Size**: Up to 3,654,375 fully paid-up equity shares of face value of INR 2 (Indian Rupees Two) (each an "**Equity Share**"), representing 25% (twenty five percent), of the fully diluted voting equity share capital of the Target Company ("**Voting Share Capital**"), as of the 10^{th} (tenth) working day from the closure of the tendering period.

1.2 **Price / consideration**: INR 245.85 (Indian Rupees Two hundred and forty five and eighty five paise) per Equity Share ("**Offer Price**") amounting to a total of Indian Rupees 898,428,093.75 (Indian Rupees Eight hundred and ninety eight million, four hundred and twenty eight thousand, ninety three and seventy five paise). The Offer Price is calculated in accordance with Regulation 8(3) and 8(5) of the SEBI (SAST) Regulations.

1.3 **Mode of payment (cash / security)**: The Offer Price will be paid in cash, in accordance with Regulation 9(1)(a) of the SEBI (SAST) Regulations.

1.4 **Type of offer (Triggered offer, voluntary offer/competing offer, etc.)**: The Offer is a mandatory offer made by the Acquirer in compliance with Regulations 3 and 4 and 5(1) of SEBI (SAST) Regulations. The thresholds specified under Regulation 5(2) of the SEBI (SAST) Regulations are not applicable. This Offer is not subject to any minimum level of acceptance.

2. <u>Transaction which has triggered the Offer obligations (Underlying Transaction)</u>

The underlying transaction involves the acquisition of certain entities owned and controlled by National Oilwell Varco, Inc which includes Pfaudler Inc, USA ("**Existing Shareholder**") an entity owned and controlled by Robbins & Myers Holdings, LLC (being a "**Seller**"). As part of the Underlying Transaction, all shares of the Existing Shareholder held by the Seller are to be purchased by the Acquirer based on the terms and conditions set out in the Share Purchase Agreement executed by them on December 13, 2014 ("**Transaction Document**") and covering this acquisition ("**Primary Transaction**"). The Existing Shareholder, as on the date of this Public Announcement, holds 50.44% of the Voting Share Capital of the Target Company.

The completion of the Primary Transaction is subject to certain conditions including legal and statutory approvals. The Acquirer has been so named and identified only for the purpose of the Open Offer. Completion of the Primary Transaction would result in the change of control of the Existing Shareholder in favour of the Acquirer. Thereafter, the Existing Shareholder will be acting in concert with the Acquirer and also acquire the shares of the Target Company tendered in the Open Offer.

Details of underlying transaction						
Type of Transaction (direct / indirect)	**Mode of Transaction (Agreement / Allotment / market purchase)**	**Shares / Voting rights acquired / proposed to be acquired**		**Total Consideration for shares / Voting Rights Acquired (Rs.)**	**Mode of payment (Cash / securities)**	**Regulation which has triggered**
		Number	**% vis a vis total equity / voting capital**			
Indirect Acquisition	Transaction Document dated December 13, 2014 between the Acquirer and the Seller for acquisition of the shares of the Existing Shareholder, which owns 50.44% of the Voting Share Capital of the Target Company.	The Acquirer proposes to acquire 100% of the Voting Share Capital of the Existing Shareholder from the Seller. The Existing Shareholder holds 7,373,067 Equity Shares amounting to 50.44% of the Voting Share Capital of the Target Company.	The Acquirer proposes to acquire 100% of the voting share capital of the Existing Shareholder from the Seller. The Existing Shareholder holds 7,373,067 Equity Shares amounting to 50.44% of the Voting Share Capital of the Target Company.	Not applicable as this is an indirect acquisition.	Not applicable as this is an indirect acquisition.	Regulations 3, Regulation 4 read with 5(1) of the SEBI (SAST) Regulations.

3. <u>Acquirer / PAC</u>

Details	**Acquirer**	**PAC**	**Total**
Name of the Acquirer / PAC(s)	Pfaudler US Inc	Pfaudler Holding S.à r.l	Two
Address	1209 Orange Street, City of Wilmington, County of New Castle, Delaware 19801, USA	59, Rue de Rollingergrund, L-2440, Luxembourg.	Not applicable
Name(s) of persons in control/promoters of acquirers/ PAC where Acquirers/PAC are companies	Pfaudler US Holding Inc owns 100% of the Acquirer.	No single entity owns or controls Pfaudler Holding S.à r.l.	Not applicable
Name of the Group, if any, to which the Acquirer/PAC belongs to	The Acquirer does not belong to any one group.	The PAC does not belong to any one group.	Not applicable
Pre-Transaction shareholding %	Nil	Nil	Nil

Details	Acquirer	PAC	Total
Pre-Transaction Shareholding Number	Nil	Nil	Nil
Proposed shareholding after the acquisition of shares which triggered the Offer (not taking into account the Equity Shares validly accepted in the Offer, if any)	The Acquirer will hold 100% of the shares in the Existing Shareholder which in turn holds 7,373,067 Equity Shares amounting to 50.44% of the Voting Share Capital of the Target Company.	Nil	The Acquirer will hold 100% of the shares in the Existing Shareholder which in turn holds 7,373,067 Equity Shares amounting to 50.44% of the Voting Share Capital of the Target Company.
Any other interest in the Target Company	Nil	Nil	

Note: In accordance with the explanation to the proviso to Regulation 13(4) of the SEBI (SAST) Regulations, the Offer to the Public Shareholders is subject to the completion of the Primary Transaction.

4. **<u>Details of selling shareholders, if applicable</u>**: Not applicable, as the Offer is being made as a result of an indirect acquisition of control over the Target Company; and not as a result of any direct acquisition of Equity Shares, voting rights in or control over the Target Company.

5. **<u>Target Company</u>**

Name: GMM Pfaudler Limited
Registered Office: Vithal Udyognagar ,Karamsad ,Gujarat ,388325
Exchanges where listed: BSE Limited (Scrip Code: 505255) (Scrip ID: GMM)

6. **<u>Other Details</u>**

6.1 The detailed public statement pursuant to this public announcement, which will contain all other information about the Offer, including the reasons and background to the Offer, detailed information on the Offer Price, details of the Transaction Document for the Primary Transaction including the conditions precedent thereunder and detailed information on the Acquirer and the Target Company and statutory approvals, if any, for the Offer, shall be published not later than five working days of the completion of the Primary Transaction, in accordance with the proviso to Regulation 13(4) of the SEBI (SAST) Regulations.

6.2 The Acquirer and the PAC undertake that they are aware of and will comply with their obligations under the SEBI (SAST) Regulations and that they have adequate financial resources for meeting the Offer obligations under the SEBI (SAST) Regulations.

6.3 This public announcement is not being issued pursuant to a competing offer in terms of Regulation 20 of the SEBI (SAST) Regulations.

6.4 This Public Announcement is not conditional upon any minimum level of acceptance as per Regulations 19 (1) of the SEBI (SAST) Regulations.

6.5 Completion of the Offer is subject to receipt of statutory approvals required, if any.

6.6 In this public announcement, all references to “INR” are references to the Indian Rupee.

6.7 All information in relation to the Target Company contained in the public announcement is based on publically available information.

Issued by the Manager to the Offer:

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For and on behalf of the Acquirer and PAC

Pfaudler US Inc	**Pfaudler Holding S.à r.l**
1209 Orange Street, City of Wilmington, County of New Castle, Delaware 19801, USA	59, Rue de Rollingergrund, L-2440 Luxembourg

Place: Mumbai
Date: December 18, 2014