DETAILED PUBLIC STATEMENT TO THE EQUITY SHAREHOLDERS OF GMM PFAUDLER LIMITED UNDER REGULATIONS 3(1), 4 AND 5(1) READ WITH REGULATIONS 13(4) AND 15(2) OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (SUBSTANTIAL ACQUISITION OF SHARES AND TAKEOVERS) REGULATIONS, 2011

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Open offer ("Offer") for acquisition of up to 38,00,550 (Thirty Eight Lakhs Five Hundred and Fifty) fully paid up equity shares of face value of Rs. 2 (Rupees Two) each ("Equity Shares"), representing 26% (Twenty Six percent) of the fully diluted voting equity share capital of GMM Pfaudler Limited ("Target Company"), as of the 10th (tenth) working day from the closure of the tendering period, from the equity shareholders of the Target Company (other than the Acquirer, PAC, RM and RM Holdings (each as defined below)) by National Oilwell Varco, Inc. ("Acquirer") and Pfaudler Inc. ("PAC").

This detailed public statement ("**DPS**") is being issued by **Citigroup Global Markets India Private Limited**, the manager to this Offer ("**Manager to the Offer**"), on behalf of the Acquirer and PAC, in compliance with Regulations 3(1), 4 and 5(1) read with Regulations 13(4) and 15(2) of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 and subsequent amendments thereto ("**SEBI (SAST) Regulations**"), pursuant to the public announcement dated February 21, 2013 ("**PA**") in relation to this Offer filed by the Acquirer and PAC with BSE Limited ("**BSE**"), on February 22, 2013 and filed with the Securities and Exchange Board of India ("**SEBI**") on February 22, 2013 and sent to the Target Company at its registered office on February 22, 2013.

I. ACQUIRER, PAC, TARGET COMPANY AND OFFER

A. Information about the Acquirer and PAC

A1. Acquirer - National Oilwell Varco, Inc.

1. The Acquirer, a company limited by shares, was incorporated in 1995, under the laws of the Delaware. The registered office of the Acquirer is located at 7909 Parkwood Circle Drive, Houston, Texas 77036. Its telephone number is 001-713-346-7500.The Acquirer was incorporated under the name NOW Holdings on July 14, 1995 and changed its name to National-Oilwell, Inc., on August 29, 1996. On August 11, 2004 the Acquirer changed its name to National Oilwell Varco, Inc. as a result of the merger between National-Oilwell, Inc and Varco International, Inc.

2. The Acquirer is engaged in the business of providing equipment and components used in oil and gas drilling and production operations, oilfield services, and supply chain integration services to the upstream oil and gas industry. The Acquirer conducts operations in over 1,160 locations across six continents.

3. The Acquirer is not part of any group. The Acquirer is a public listed company. Therefore there are no specific persons in control of the Acquirer and there are no identifiable promoters of the Acquirer.

4. The Acquirer is party to the Underlying Agreement (defined below), pursuant to which there has been a change in the indirect shareholding and control of the Target Company. The relationship of the Acquirer with PAC is detailed in paragraph A2 of this DPS (which contains information relating to PAC).

5. The shares of the Acquirer are listed on the New York Stock Exchange ("**NYSE**").

6. As on the date of the DPS, the Acquirer holds 4,24,00,000 (Four Crores Twenty Four Lakhs) shares of Robbins & Myers, Inc. ("**RM**") representing 100% (One Hundred percent) of the issued and paid up share capital of RM. RM in turn holds 100% (One Hundred percent) of the issued and paid up share capital of Robbins & Myers Holdings, Inc. ("**RM Holdings**") which in turn holds 100% (One Hundred percent) of the issued and paid up share capital of PAC. PAC, in turn, holds 74,54,400 (Seventy Four Lakhs Fifty Four Thousand Four Hundred) Equity Shares representing 51% of the fully diluted voting equity share capital of the Target Company ("**Voting Share Capital**").

7. The Acquirer has not been prohibited by SEBI from dealing in securities, in terms of Section 11B of the Securities and Exchange Board of India Act, 1992, as amended ("**SEBI Act**") or under any of the regulations made under the SEBI Act.

8. The key financial information of the Acquirer, as derived from its audited consolidated financial statements as at and for the 12-month period ended December 31, 2012, December 31, 2011 and December 31, 2010, is as follows. The said financials have been prepared in accordance with the US Generally Accepted Accounting Principles ("**GAAP**") Financial Reporting Standards.

Particulars	**For the 12-month period ending December 31**					
	2012		**2011**		**2010**	
	INR	**USD**	**INR**	**USD**	**INR**	**USD**
Total Revenue	10,880,159	20,041	7,957,755	14,658	6,599,432	12,156
Net Income	1,348,008	2,483	1,077,647	1,985	900,663	1,659
Earnings Per Share (EPS)	316.51	5.83	255.16	4.70	216.07	3.98
Net worth / Shareholder Fund	10,987,652	20,239	9,565,267	17,619	8,549,510	15,748

Notes:

1. *All USD amounts are in millions, except per share data*
2. *All Rupee amounts are in lakhs, except per share data.*
3. *Since the financials of the Acquirer are presented in USD, a translation (convenience translation) of such financials into Indian Rupees has been adopted. The USD to Rs. conversion has been assumed at the rate of 1 USD = Rs. 54.2895 as on February 19, 2013 (i.e. 1 (One)) working day prior to the date of the PA) (Source: www.rbi.org.in)*

A2. Persons acting in concert - Pfaudler Inc.

1. PAC, a company limited by shares, was incorporated on January 31, 1994 under the laws of Delaware. The registered office of PAC is located at 2711 Centerville Road, Suite 400, City of Wilmington 19808, County of New Castle. Its telephone number is (585) 235-1000 and fax number is (585) 235-7923. PAC was incorporated as Pfaudler (United States) Inc. on January 31, 1994 and the name was changed to Pfaudler, Inc. on March 6, 1995.

2. PAC is engaged in the business of manufacturing, marketing and selling reactor vessels.

3. Upon completion of the Primary Transaction (defined below) on February 20, 2013, PAC has become part of the group of entities controlled by the Acquirer.

4. As on the date of this DPS, PAC is an indirect wholly owned subsidiary of the Acquirer.

5. The equity shares of PAC are not listed on any stock exchange.

6. The PAC is one of the promoters of the Target Company and holds 74,54,400 (Seventy Four Lakhs Fifty Four Thousand Four Hundred) Equity Shares representing 51% of the Voting Share Capital of the Target Company.

7. As of the date of this DPS, Mr. Kevin J. Brown and Mr. Peter C. Wallace are nominee directors of PAC on the board of directors of the Target Company. PAC has entered into a shareholders' agreement dated October 6, 1999 with Mr. Ashok Patel, an Indian promoter of the Target Company.

8. RM and Mr. Ashok Patel (an Indian promoter of the Target Company) have entered into a non-competition agreement dated October 6, 1999, pursuant to which Mr. Ashok Patel is restricted from competing with certain businesses of RM, including Pfaudler, Chemineer, and Edlon products and products sold by the Target Company.

9. PAC and the Target Company are parties to an agreement dated December 4, 2002, pursuant to which the Target Company is permitted to use PAC’s technical know-how in certain countries.

10. PAC has not been prohibited by SEBI from dealing in securities in terms of Section 11B of SEBI Act or under any of the regulations made under the SEBI Act.

11. The key standalone financial information of PAC, as derived from the audited consolidated financial statements of RM as at and for the 12-month period ended August 31, 2012, August 31, 2011 and August 31, 2010, is as follows. The said financials have been prepared in accordance with the US Generally Accepted Accounting Principles (“**GAAP**”) Financial Reporting Standards.

Particulars	For the 12-month period ending August 31					
	2012		2011		2010	
	INR	USD	INR	USD	INR	USD
Total Revenue	29,024	53	24,871	46	19,870	37
Net Income	3,095	6	1,225	2	(219)	(0)
Earnings Per Share (EPS)	309,504.44	5,701.00	122,531.40	2,257.00	(21,878.67)	(403.00)
Net worth / Shareholder Fund	18,268	34	15,173	28	13,948	26

Notes:

1. *All USD amounts are in millions, except per share data.*
2. *All Rupee amounts are in lakhs, except per share data.*
3. *Since the financials of RM are presented in USD, a translation (convenience translation) of such financials into Indian Rupees has been adopted. The USD to Rs. conversion has been assumed at the rate of 1 USD = Rs. 54.2895 as on February 19, 2013 (i.e. 1 (One)) working day prior to the date of the PA) (Source: www.rbi.org.in)*
4. *Since the PAC is a subsidiary of RM, the financial statements of the PAC are not separately audited.*

B. <u>Details of selling shareholders, if applicable</u>

Not applicable as this Offer is being made on account of the Underlying Agreement (defined below) and not as a result of any direct acquisition of Equity Shares, voting rights or control of the Target Company.

C. <u>Details of the Target Company</u>

1. The Target Company, a public limited company and having its registered office at Vithal Udyognagar, Anand - Sojitra Road, Karamsad – 388 325, Gujarat, India was incorporated in 1962 under the laws of India. Its telephone number is +91 2692 661700 / 230416 / 230516 and fax number is +91 2692 661888 / 236467.

2. The Equity Shares are currently listed on BSE (Scrip Code: GMM). (*Source: BSE website.)*

3. The Equity Shares are frequently traded on BSE in terms of Regulation 2(1)(j) of SEBI (SAST) Regulations. (Further details provided in Part IV below (*Offer Price*).)

4. As of the date of this DPS, the total authorised share capital of the Target Company is Rs. 5,00,00,000 (Rupees Five Crores) consisting of 2,50,00,000 (Two Crores Fifty Lakh) Equity Shares. The total paid-up share capital of the Target Company is Rs. 2,92,35,000

(Rupees Two Core Ninety Two Lakh Thirty Five Thousand) consisting of 1,46,17,500 (One Crores Forty Six Lakh Seventeen Thousand Five Hundred) Equity Shares. As of date, the Target Company does not have any outstanding partly paid-up shares.

5. The key financial information of the Target Company, as derived from its audited consolidated financial statements as at and for the 12-month period ended March 31, 2012, March 31, 2011 and March 31, 2010 and the interim unaudited standalone financial information, which has been subject to limited review by the Target Company's auditors, as at and for the period ending September 30, 2012, is as follows. The said financials have been prepared in accordance with Indian GAAP.

Particulars	For the period ending September 30, 2012	For the 12-month period ending March 31		
		2012	2011	2010
Total Revenue	8,758.8	25,607.2	19,789.6	19,702.8
Net Income	525.7	993.4	1,213.4	9,470.4
Earnings Per Share (EPS)	3.60	6.80	8.30	6.48
Net worth / Shareholder Fund	10,660.2	11,438.0	10,452.5	9,389.9

Note: All amounts are in Rs. in lakhs, except per share data.

D. <u>Details of the Offer</u>

1. This Offer is a mandatory offer made under Regulations 3(1), 4 and 5(1) read with Regulations 13(4) and 15(2) of the SEBI (SAST) Regulations, pursuant to an indirect acquisition of voting rights in and control by the Acquirer over the Target Company in terms of the Underlying Agreement (defined below). (Further details provided in Part II below (*Background to the Offer*).)

2. This Offer for 38,00,550 (Thirty Eight Lakhs Five Hundred Fifty) Equity Shares, representing 26% (Twenty Six percent) of the Voting Share Capital as of the 10^{th} (Tenth) working day from the closure of the tendering period ("**Offer Size**"), is being made to all the equity shareholders of the Target Company (other than the Acquirer, PAC, RM and RM Holdings) ("**Eligible Shareholders**").

3. As of the date of this DPS, there are no (i) partly paid-up Equity Shares; and (ii) outstanding convertible instruments (warrants/ fully convertible debentures/ partly convertible debentures) issued by the Target Company. (*Source: BSE website and Target Company Annual Report 2011-2012*)

4. All Equity Shares validly tendered by the Eligible Shareholders of the Target Company in this Offer will be acquired by the Acquirer and/or PAC in accordance with the terms and conditions set forth in this DPS and as will be set out in the letter of offer that will be issued in relation to this Offer ("**Letter of Offer**"). The Eligible Shareholders who tender their Equity Shares in this Offer shall ensure that the Equity Shares are clear from all liens, charges and encumbrances. The Acquirer and/or PAC shall acquire the Equity Shares of the Eligible Shareholders who validly tender their Equity Shares in this Offer, together with all rights attached thereto, including all rights to dividends, bonuses and rights offers declared thereof.

5. This Offer is being made at a price of Rs. 88.55 (Rupees Eighty Eight and Fifty Five Paise) per Equity Share ("**Offer Price**") which includes interest computed at the rate of 10% (Ten percent) per annum for the period between August 8, 2012 and the date of this DPS in terms of Regulation 8(12) of SEBI (SAST) Regulations.

6. The Offer Price will be paid in cash in accordance with Regulation 9(1)(a) of the SEBI (SAST) Regulations.

7. As of the date of this DPS, to the best of the knowledge of the Acquirer and PAC, there are no statutory approvals required by the Acquirer and/or PAC to complete this Offer. However, in case of any statutory approvals being required by the Acquirer and/or PAC at a later date before the closure of the tendering period, this Offer shall be subject to such approvals and the Acquirer and/or PAC shall make the necessary applications for such approvals.

8. Non-resident Indian ("**NRI**") and overseas corporate body ("**OCB**") holders of the Equity Shares, if any, must obtain all requisite approvals required to tender the Equity Shares held by them, in this Offer (including without limitation the approval from the Reserve Bank of India ("**RBI**"), since the Equity Shares validly tendered in this Offer will be acquired by a non-resident entity) and submit such approvals along with the documents required to accept this Offer. Further, if holders of the Equity Shares who are not persons resident in India (including NRIs, OCBs and foreign institutional investors ("**FIIs**")) had required any approvals (including from the RBI or the Foreign Investment Promotion Board ("**FIPB**") or any other regulatory body) in respect of the Equity Shares held by them, they will be required to submit such previous approvals that they would have obtained for holding the Equity Shares, along with the other documents required to be tendered to accept this Offer. In the event such approvals are not submitted, the Acquirer and PAC reserve the right to reject such Equity Shares tendered in this Offer.

9. This Offer is not conditional upon any minimum level of acceptance in terms of Regulation 19(1) of SEBI (SAST) Regulations. This Offer is a mandatory indirect offer in compliance with Regulations 3(1), 4 and 5(1) of the SEBI (SAST) Regulations.

10. This Offer is not a competing offer in terms of Regulation 20 of the SEBI (SAST) Regulations.

11. In terms of Regulation 25(2) of the SEBI (SAST) Regulations, the Acquirer and PAC do not currently have any intention to alienate, restructure, dispose off or otherwise encumber any assets of the Target Company or any of its subsidiaries in the succeeding 2

(Two) years from the completion of this Offer, except in the ordinary course of business and other than as already agreed, disclosed and/or publicly announced by Target Company. The Acquirer and PAC undertake that they will not restructure, sell, lease, dispose off or otherwise encumber any substantial assets of the Target Company or any of its subsidiaries other than in the ordinary course of business and other than as already agreed, disclosed and/or publicly announced by the Target Company in the succeeding 2 (Two) years from the completion of this Offer, except with the prior approval of the shareholders of the Target Company through a special resolution, passed by way of postal ballot.

12. In the event that the Equity Shares accepted in the Offer are such that the shareholding of the Acquirer taken together with the PAC pursuant to completion of the Offer results in their shareholding exceeding the maximum permissible non-public shareholding, the Acquirer shall be required to bring down the non-public shareholding to the level specified and within the time permitted under Securities Contract (Regulation) Rules, 1957, as amended ("**SCRR**").

II. BACKGROUND TO THE OFFER

1. This Offer is being made on account of a Merger Agreement ("**Underlying Agreement**") entered into by and between RM, a company incorporated under the laws of Ohio, USA having its registered office at 10586, Highway 75, North, Willis, Texas, USA, the Acquirer and Raven Process Corp., a wholly owned subsidiary of the Acquirer ("**Raven**"). RM holds the entire share capital of RM Holdings, which in turn holds the entire share capital of the PAC which in turn holds 51% of the Voting Share Capital of the Target Company. The transaction under the Underlying Agreement ("**Primary Transaction**") constitutes an indirect acquisition by the Acquirer of the voting rights held by the PAC in the Target Company under Regulations 3(1), 4 and 5 read with Regulations 13(4) and 15(2) of the SEBI SAST Regulations.

2. The Underlying Agreement was contracted on August 8, 2012. It has been completed and implemented on February 20, 2013. Since the business carried on by the Target Company represents an insignificant component of the global business of RM, the transaction is neither a deemed direct acquisition, nor is a specific value attributable to the Equity Shares of the Target Company under the SEBI (SAST) Regulations.

3. In terms of Regulation 13(4) of the SEBI (SAST) Regulations, in the case of an indirect acquisition which is not a deemed direct acquisition, a detailed public statement is required to be issued by the acquirer no later than five working days of the completion of the primary acquisition of shares or voting rights in, or control over the company or entity holding shares or voting rights in, or control over the target company. Since the Primary Transaction was completed on February 20, 2013, this DPS is being issued in terms of Regulation 13(4) of the SEBI (SAST) Regulations.

4. Upon completion of the Primary Transaction, the Acquirer has become the ultimate holding company of the PAC (through RM and RM Holdings) resulting in an indirect acquisition of 51% of the Voting Share Capital of Target Company held by the PAC. Upon completion of the Primary Transaction contemplated in the Underlying Agreement on February 20, 2013, the Acquirer holds 4,24,00,000 (Four Crores Twenty Four Lakhs)

shares of RM representing 100% (One Hundred percent) of the issued and paid up share capital of RM. RM, in turn, holds 100 (One Hundred) shares of RM Holdings representing 100% (One Hundred percent) of the issued and paid up share capital of RM Holdings. RM Holdings in turn holds 1,000 (One Thousand) shares of PAC representing 100% (One Hundred percent) of the issued and paid up share capital of PAC, which in turn holds 51% (Fifty One percent) of the Voting Share Capital of the Target Company. Neither RM nor RM Holdings are acquiring any Equity Shares tendered in this Offer or are providing any funds for the acquisition of Equity Shares tendered in this Offer.

5. Some key features of the Underlying Agreement are as follows:

(a) Pursuant to the terms of the Underlying Agreement, Raven has merged into RM ("**Merger**") and all the property, rights, privileges, immunities, powers and franchises of Raven vest in RM;

(b) Pursuant to the Merger, (i) all common shares (without par value) of RM (other than those held by its subsidiaries, the Acquirer, Raven or any of their wholly owned subsidiaries) which were issued by RM prior to the Merger have been converted into the right to receive in cash, without interest, an amount equal to USD 60 (Sixty United States Dollars) per common share, (ii) all common shares of RM held by its subsidiaries, the Acquirer, Raven or any of their wholly owned subsidiaries have been cancelled and (iii) each common share without par value of Raven issued prior to the Merger and held by the Acquirer has been converted into common shares of RM;

(c) As a result of the above, upon completion of the transactions contemplated in the Underlying Agreement, Raven has ceased to exist and RM has become the wholly owned subsidiary of the Acquirer;

(d) Under the Underlying Agreement, RM, Acquirer and Raven have given certain customary representations and warranties to each other;

(e) The Underlying Agreement is governed by the Laws of the State of Delaware and the exclusive jurisdiction of the Chancery Court of the State of Delaware.

III. SHAREHOLDING AND ACQUISITION DETAILS

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

Details	Acquirer		PAC	
	No. of Equity Shares held	***Percentage (%)***	***No. of Equity Shares held***	***Percentage (%)***
Shareholding as of the date of the PA	Upon completion of the Primary Transaction, the Acquirer holds 4,24,00,000 (Four	Upon completion of the Primary Transaction, the Acquirer holds 4,24,00,000 (Four	74,54,400 (Seventy Four Lakhs Fifty Four Thousand Four Hundred) Equity Shares	51%

Details	Acquirer		PAC	
	Crores Twenty Four Lakhs) shares of RM representing 100% of the issued and paid up share capital of RM. RM in turn holds 100% of the issued and paid up share capital of RM Holding which in turn holds 100% of the issued and paid up share capital of PAC. PAC in turn holds 74,54,400 (Seventy Four Lakhs Fifty Four Thousand Four Hundred) Equity Shares representing 51% of the Voting Share Capital of the Target Company.	Crores Twenty Four Lakhs) shares of RM representing 100% of the issued and paid up share capital of RM. RM in turn holds 100% of the issued and paid up share capital of RM Holding which in turn holds 100% of the issued and paid up share capital of PAC. PAC in turn holds 74,54,400 (Seventy Four Lakhs Fifty Four Thousand Four Hundred) Equity Shares representing 51% of the Voting Share Capital of the Target Company.		
Equity Shares acquired between the date of the PA and the date of this DPS	Nil	Nil	Nil	Nil
Post Offer shareholding (On fully diluted basis, as on 10th working day after close of the tendering period) (assuming full acceptance)	Would indirectly, through the PAC, hold 1,12,54,950 Equity Shares of the Target Company.	Would indirectly, through the PAC, hold 77% of the equity share capital of the Target Company.	Would directly hold 1,12,54,950 (One Crore Twelve Lakhs Fifty Four Thousand Nine Hundred Fifty) Equity Shares of the Target Company.	Would directly hold 77% of the equity share capital of the Target Company.

As of the date of this DPS, save as set out above, neither the Acquirer, nor PAC, nor their respective directors directly hold any Equity Shares of the Target Company, and have not directly acquired any Equity Shares of the Target Company during the 12 months prior to the date of this DPS. Pursuant to the consummation of the Primary Transaction, the Target Company has become the indirect subsidiary of the Acquirer.

IV. OFFER PRICE

1. The Equity Shares are listed on BSE.

2. The trading turnover of the Equity Shares, based on the trading volume in the Equity Shares of the Target Company on the BSE during August 1, 2011 to July 31, 2012 (12 calendar months preceding the month in which the PA ought to be issued),# was as under:

Stock Exchange	**Number of Equity Shares traded**	**Total number of listed Equity Shares**	**Trading turnover (as a percentage of the total listed Equity Shares)**
BSE	**16,49,350**	**1,46,17,500**	**11.3%**

(*Source for BSE trading information: BSE website.*)

 # The Underlying Agreement was contracted on August 8, 2012. The public announcement in respect of the Underlying Agreement ought to have been issued within four working days from August 8, 2012. However, such public announcement (as required to be made in the form specified under the SEBI (SAST) Regulations upon global announcement of the Underlying Agreement) was inadvertently left out. The PA, as contemplated under Regulation 13(2)(e) of the SEBI (SAST) Regulations, was actually made on February 22, 2013. For the purpose of determining whether or not the Equity Shares are frequently traded, share trading data has been taken for the twelve month period prior to the month in which the public announcement ought to have been made under Regulation 13(2)(e) of the SEBI (SAST) Regulations.

Therefore, in terms of Regulation 2(1)(j) of the SEBI (SAST) Regulations, the Equity Shares are frequently traded on BSE.

3. The Offer Price of Rs. 88.55 (Rupees Eighty Eight and Fifty Five Paise) per Equity Share is justified in terms of Regulations 8(3) of SEBI (SAST) Regulations, in view of the following:

(a)	Highest negotiated price per Equity Share, if any, of the Target Company for any acquisition under the Primary Transaction	Nil
(b)	Volume-weighted average price paid or payable for any acquisition, whether by the Acquirer or by any person acting in concert with the Acquirer, during the fifty-two weeks immediately preceding August 8,	Nil

	2012 (being the earlier of the date on which the Primary Transaction is contracted, and the date on which the intention or the decision to enter into the Primary Transaction is announced in the public domain)	
(c)	Highest price paid or payable for any acquisition, whether by the Acquirer or by any person acting in concert with the Acquirer, during the twenty-six weeks immediately preceding August 8, 2012 (being the earlier of the date on which the Primary Transaction is contracted, and the date on which the intention or the decision to enter into the Primary Transaction is announced in the public domain)	Nil
(d)	Highest price paid or payable for any acquisition, whether by the Acquirer or by any person acting in concert with the Acquirer, between August 8, 2012 (being the earlier of the date on which the Primary Transaction is contracted, and the date on which the intention or the decision to enter into the Primary Transaction is announced in the public domain) and the date of the PA	Nil
(e)	Volume-weighted average market price of the Equity Shares for a period of 60 trading days immediately preceding August 8, 2012 (being the earlier of the date on which the Primary Transaction is contracted, and the date on which the intention or the decision to enter into the Primary Transaction is announced in the public domain) as traded on the BSE	Rs. 83.88 per Equity Share
(f)	Price at (e) above including interest in terms of Regulation 8(12) of the SEBI (SAST) Regulations *(See Note below)*	Rs. 88.55 per Equity Share
(g)	Per Equity Share value, as required under Regulation 8(5) of SEBI (SAST) Regulations.	NA

Note: *In terms of regulation 8(12) of the SEBI (SAST) Regulations, in case of an indirect acquisition other than indirect acquisition referred in Regulation 5(2) of SEBI (SAST) Regulations, the offer price shall stand enhanced by an amount equal to 10% (Ten percent) per annum for the period between the earlier of the date on which the primary acquisition is contracted or the date on which the intention or the decision to make the primary acquisition is announced in the public domain, and the date of the detailed public statement, provided that such period is more than five working days.*

The Underlying Agreement was executed on August 8, 2012 and the first announcement with respect to the Underlying Agreement was made on August 9, 2012. The Primary Transaction contemplated in the Underlying Agreement was closed on February 20, 2013. Accordingly, the Offer Price has been enhanced by an interest component, which has been calculated from August 8, 2012 and February 27, 2013, being the date of this DPS. The interest works out to Rs. 4.67 (Rupees Four and Sixty Seven Paise) per Equity Share. Accordingly, the Offer Price including interest works out to Rs. 88.55 (Rupees Eighty Eight and Fifty Five Paise). Therefore, in terms of Regulation 8(3) of the SEBI (SAST) Regulations, the Offer Price of Rs. 88.55 (Rupees Eighty Eight and Fifty Five Paise) per Equity Share is justified.

4. N. M. Raiji & Co., Chartered Accountants (Address: 6th Floor, Universal Insurance Building, Sir Phirozshah Mehta Road, Fort, Mumbai – 400 001 ; Telephone: 91 (22) 2287 0068 / 2287 3463, Fax: 91 (22) 2282 8646 / 2265 0578; membership registration number: 108296W) in its report dated February 26, 2013, has confirmed the aforementioned computation of the Offer Price.

5. There have been no corporate actions by the Target Company warranting adjustment of any of the relevant price parameters under Regulation 8(9) of the SEBI (SAST) Regulations. (*Source: BSE website*)

6. There has been no revision in the Offer Price or to the Offer Size as of the date of this DPS.

7. In the event of acquisition of the Equity Shares by the Acquirer and/or PAC during the Offer period, whether by subscription or purchase, at a price higher than the Offer Price, then the Offer Price will be revised upwards to be equal to or more than the highest price paid for such acquisition in terms of Regulation 8(8) of the SEBI (SAST) Regulations. However, the Acquirer and PAC shall not acquire any Equity Shares after the 3rd (Third) working day prior to the commencement of the tendering period of this Offer and until the expiry of the tendering period of this Offer. An upward revision to the Offer Price or to the Offer Size, if any, on account of competing offers or otherwise, will be done at any time prior to the commencement of the last 3 (Three) working days before the commencement of the tendering period of this Offer in accordance with Regulation 18(4) of the SEBI (SAST) Regulations. In the event of such revision, the Acquirer and PAC shall: (i) make a public announcement in the same newspapers in which this DPS has been published; and (ii) simultaneously with the issue of such announcement, inform BSE, SEBI and the Target Company at its registered office of such revision.

V. FINANCIAL ARRANGEMENTS

1. The total funding requirement for this Offer assuming full acceptance of this Offer is Rs. 33,65,20,106 (Rupees Thirty Three Crores Sixty Five Lakh Twenty Thousand One Hundred and Six) ("**Maximum Consideration**").

2. The Acquirer and PAC have made firm financial arrangements for fulfilling the payment obligations under this Offer and the Acquirer and PAC are able to implement this Offer.

3. In accordance with Regulation 17 of the SEBI (SAST) Regulations, PAC, Citibank, N.A., a national banking association organized under the laws of the United States of America, carrying on the business of banking in India as a scheduled commercial bank and having its principal office in India at Citigroup Centre, C-61 Bandra - Kurla Complex, Bandra (East), Mumbai 400 051 ("**Escrow Bank**") and the Manager to the Offer have entered into an Escrow Agreement on February 25, 2013 ("**Offer Escrow Agreement**"). Pursuant to the Offer Escrow Agreement, the PAC has established an escrow account under the name and title of "**GMM Pfaudler Limited – Pfaudler Inc., Open Offer**" ("**Offer Escrow Account**") with the Escrow Bank and have made a cash deposit of Rs. 8,41,30,026 (Rupees Eight Crores Forty One Lacs Thirty Thousand Twenty Six Only), being at least equal to or more than 25% (Twenty Five percent) of the Maximum Consideration in the Offer Escrow Account. The cash deposit has been confirmed by way of a confirmation letter dated February 25, 2013 issued by the Escrow Bank.

4. In case of any upward revision in the Offer Price or the size of the Offer, the cash in the Offer Escrow Account shall be computed on the revised consideration calculated at such revised offer price or offer size and any additional amounts required will be funded via the Offer Escrow Account by the Acquirer and/or PAC, prior to effecting such revision, in terms of Regulation 17(2) of the SEBI (SAST) Regulations.

5. The source of funds to meet the obligations of the Acquirer and PAC under the Offer has been met from funds available with PAC.

6. The Manager to the Offer has been duly authorized to realize the monies lying to the credit of the Offer Escrow Account in terms of SEBI (SAST) Regulations.

7. N.M. Raiji & Co., Chartered Accountants, having its office at Chartered Accountants 6th Floor, Universal Insurance Building Sir Phirozshah Mehta Road, Fort Mumbai – 400 001, Tel: 91 (22) 2287 0068 / 2287 3463, Fax: 91 (22) 2282 8646 / 2265 0578 (Membership No: 108296W) has confirmed, by way of a certificate dated February 26, 2013 ("**Chartered Accountants' Certificate**"), that the Acquirer and PAC have adequate financial resources through verifiable means available for meeting their obligations under the SEBI (SAST) Regulations for a value up to the Maximum Consideration.

8. On the basis of the aforesaid financial arrangements and the Chartered Accountants' Certificate, the Manager to the Offer is satisfied about the ability of the Acquirer and PAC to implement this Offer in accordance with the SEBI (SAST) Regulations and confirms that adequate funds are available with the Acquirer and PAC through verifiable means to implement this Offer.

VI. STATUTORY AND OTHER APPROVALS

1. As of the date of this DPS, to the best of the knowledge of the Acquirer and PAC, there are no statutory approvals required by the Acquirer and/or PAC to complete this Offer. However, in case of any statutory approvals being required by the Acquirer and/or PAC at a later date, this Offer shall be subject to such approvals and the Acquirer and/or PAC shall make the necessary applications for such approvals.

2. NRI and OCB holders of the Equity Shares, if any, must obtain all requisite approvals

required to tender the Equity Shares held by them, in this Offer (including without limitation the approval from the RBI, since the Equity Shares validly tendered in this Offer will be acquired by a non-resident entity) and submit such approvals along with the documents required to accept this Offer. Further, if holders of the Equity Shares who are not persons resident in India (including NRIs, OCBs and FIIs) had required any approvals (including from the RBI or the FIPB or any other regulatory body) in respect of the Equity Shares held by them, they will be required to submit such previous approvals that they would have obtained for holding the Equity Shares, along with the other documents required to be tendered to accept this Offer. In the event such approvals are not submitted, the Acquirer and PAC reserve the right to reject such Equity Shares tendered in this Offer.

3. In case of delay in receipt of any statutory approvals which may be required by the Acquirer and/or PAC at a later date, as per Regulation 18(11) of the SEBI (SAST) Regulations, SEBI may, if satisfied, that non-receipt of approvals was not attributable to any wilful default, failure or neglect on the part of the Acquirer and/or PAC to diligently pursue such approvals, grant an extension of time for the purpose of completion of this Offer, subject to the Acquirer and PAC agreeing to pay interest to the Eligible Shareholders of the Target Company for delay beyond 10 (ten) working days at such rate, as may be specified by SEBI from time to time. Provided where the statutory approvals extend to some but not all holders of the Equity Shares, the Acquirer and/or PAC will have the option to make payment to such holders of the Equity Shares in respect of whom no statutory approvals are required in order to complete this Offer.

4. The Acquirer and PAC will have the right not to proceed with this Offer in accordance with Regulation 23 of the SEBI (SAST) Regulations, in the event the statutory approvals indicated above are refused. In the event of withdrawal of this Offer, a public announcement will be made within 2 (two) working days of such withdrawal, in the same newspapers in which this DPS is published and such public announcement will also be sent to BSE, SEBI and the Target Company at its registered office.

VII. TENTATIVE SCHEDULE OF ACTIVITY

Nature of the Activity	Day and Date
Issue of PA	February 21, 2013
Publication of this DPS in newspapers	February 27, 2013
Filing of draft Letter of Offer with SEBI along with soft copies of the PA and this DPS	March 6, 2013
Last date for a competitive bid	March 20, 2013
Last date for receipt of comments from SEBI on the draft Letter of Offer (in the event SEBI has not sought clarification or additional information from the Manager to the Offer)	March 28, 2013
Identified Date**	April 2, 2013
Last date for dispatch of the Letter of Offer to the Eligible Shareholders	April 9, 2013
Last date for upward revision of the Offer Price and/or the Offer Size	April 10, 2013
Last date by which a committee of independent directors of the Target Company is required to give its recommendation to the	April 12, 2013

Nature of the Activity	Day and Date
Eligible Shareholders of the Target Company for this Offer	
Publication of advertisement containing announcement of the schedule of activities of this Offer, status of statutory and other approvals, if any, and procedure for tendering acceptances, in the newspapers where this DPS was published and notification to SEBI, BSE and the Target Company at its registered office	April 15, 2013
Commencement of tendering period	April 16, 2013
Closure of tendering period	April 29, 2013
Last date for payment to Eligible Shareholders	May 14, 2013
Issue of post-offer advertisement	May 21, 2013
Last date for filing of final report with SEBI	May 21, 2013

(**) *Date falling on the 10th (Tenth) working day prior to the commencement of the tendering period, for the purposes of determining the Eligible Shareholders of the Target Company to whom the Letter of Offer shall be sent.*

VIII. PROCEDURE OF TENDERING THE SHARES IN CASE OF NON-RECEIPT OF LETTER OF OFFER

1. All Eligible Shareholders holding Equity Shares, whether holding the Equity Shares in dematerialized or physical form, registered or unregistered, are entitled to participate in this Offer, any time during the tendering period of this Offer.

2. The Letter of Offer specifying the detailed terms and conditions of this Offer along with the Form of Acceptance-cum-Acknowledgement ("**Form of Acceptance**") will be mailed to all the Eligible Shareholders whose names appear on the register of members of the Target Company at the close of business hours on April 2, 2013, being registered equity shareholders as per the records of National Securities Depository Limited ("**NSDL**") and Central Depository Services (India) Limited ("**CDSL**"), and registered Equity Shareholders holding Equity Shares in physical form as per the records of the Target Company, as on the April 2, 2013. Accidental omission to dispatch the Letter of Offer to any person to whom the Offer is made or the non-receipt or delayed receipt of the Letter of Offer by any such person will not invalidate the Offer in any way. The last date by which the individual letter of offer would be dispatched to each of the Eligible Shareholders of the Target Company is April 9, 2013.

3. Eligible Shareholders who wish to tender their Equity Shares pursuant to this Offer will be required to communicate their acceptance in the form and manner specified in the Letter of Offer to **Link Intime India Private Limited,** acting as the registrar to the offer (“**Registrar to the Offer**”) in accordance with the instructions contained in the Letter of Offer and Form of Acceptance. Eligible Shareholders who cannot hand deliver their documents at the collection centers, as will be mentioned in the Letter of Offer, may send such documents by registered post or by courier, at their own risk and cost, to the Registrar to the Offer at its addresses mentioned in the Letter of Offer.

4. In case of non-receipt of Letter of Offer, Eligible Shareholders holding Equity Shares in physical form, may send his/her/their consent on plain paper stating the name, address,

number of equity shares held, distinctive numbers, certificate numbers, and the number of Equity Shares offered along with the share certificates, duly signed transfer forms and other required documents to the Registrar to the Offer before closure of this Offer.

5. In case of non-receipt of Letter of Offer, the eligible person(s), holding Equity Shares in dematerialized form may send her/her/their applications to the Registrar to the Offer, on a plain paper, stating the name, address, number of shares held, number of equity shares offered, DP name, DP ID, beneficiary account number and photocopy of the delivery instruction in "Off-market", or counterfoil of the delivery instruction in "Off-market" mode, duly acknowledged by the DP, in favour of the special depository account, so as to reach the Registrar to the Offer on or before closure of this Offer.

6. Eligible Shareholders who have acquired the Equity Shares but whose names do not appear in the register of members of the Target Company on April 2, 2013 or unregistered owners, may participate in this Offer by submitting an application on a plain paper giving details set out below and in the Letter of Offer. In the alternate, such Eligible Shareholders may apply in the form of acceptance-cum-acknowledgement in relation to this Offer that will be annexed to the Letter of Offer, which may also be obtained from the SEBI website (http://www.sebi.gov.in/) or the Registrar to the Offer.

7. The application is to be sent to the Registrar to the Offer at any of the collection centers that shall be mentioned in the Letter of Offer, so as to reach the Registrar to the Offer during business hours on or before April 29, 2013 (i.e. the date of closing of the tendering period), together with:

   (a) In the case of the Equity Shares held in physical form, the name, address, number of the Equity Shares held, number of the Equity Shares offered, distinctive numbers and folio number together with the original Equity Share certificate(s) and valid transfer deed(s), the original contract note issued by a registered share broker of a recognized stock exchange through whom such Equity Shares were acquired and/or such other documents, as may be specified in the Letter of Offer; or

   (b) In the case of the Equity Shares held in dematerialized form, the depository participant ("**DP**") name, DP ID, account number together with a photocopy or counterfoil of the delivery instruction slip in "off-market" mode duly acknowledged by the DP for transferring the Equity Shares, as per the instructions given below:

Depository Participant Name	Ventura Securities Limited
DP ID	IN303116
Client ID	11138739
Account Name	LIIPL GMM PFAUDLER OPEN OFFER ESCROW DEMAT ACCOUNT
Depository	NSDL

Shareholders having their beneficiary account in CDSL have to use inter-depository delivery instruction slips for crediting their shares in favour of the special depository account with NSDL.

(c) The Eligible Shareholders of the Target Company may also download (i) the Letter of Offer from the SEBI website (http://www.sebi.gov.in/); or (ii) obtain a copy of Letter of Offer by writing to the Registrar to the Offer superscribing the envelope "GMM PFAUDLER OPEN OFFER" with suitable documentary evidence of ownership of the Equity Shares.

IX. DETAILED PROCEDURE FOR TENDERING THE EQUITY SHARES IN THIS OFFER WILL BE AVAILABLE IN THE LETTER OF OFFER

X. OTHER INFORMATION

1. The Acquirer, PAC and their respective directors accept full responsibility for the obligations of the Acquirer and PAC as laid down in terms of the SEBI (SAST) Regulations and for the information contained in this DPS. All information pertaining to the Target Company has been obtained from publicly available sources and the accuracy thereof has not been independently verified by the Manager to the Offer.

2. The Acquirer has appointed **Citigroup Global Markets India Private Limited** as the Manager to the Offer, whose details are set out below:

   Address: Bakhtawar, 12th Floor, Nariman Point, Mumbai – 400 021
   Telephone: +91 6631 9890
   Email: gmmpfaudler.openoffer@citi.com
   Contact Person: Mr. Ankit Srivastava

3. **Link Intime India Private Limited** has been appointed as the Registrar to the Offer, whose details are set out below:

   Address: C-13, Pannalal Silk Mills Compound, L.B.S. Marg, Bhandup (W), Mumbai 400078
   Telephone: +91 22 2596 7878
   Email: gmm.offer@linkintime.co.in
   Contact Person: Mr. Pravin Kasare
   SEBI Registration No.: INR000004058

4. This DPS will also be available on the SEBI website (http://www.sebi.gov.in/).

5. In this DPS, any discrepancy in any table between the total and sums of the amount listed is due to rounding off and/or regrouping.

Issued by the Manager to the Offer

Citigroup Global Markets India Private Limited
For and on behalf of:

National Oilwell Varco, Inc., as the Acquirer and Pfaudler, Inc., as PAC.

Place: Mumbai
Date: February 27, 2013